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**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEVADA**

10 In re:

11 RIVIERA HOLDINGS CORPORATION

12 Affects this Debtor.13 Affects all Debtors.14 Affects RIVIERA OPERATING CORPORATION15 Affects RIVIERA BLACK HAWK, INC.

**Case No.: 10-22910-LBR
Chapter 11 Jointly Administered with:**

10-22913-LBR	Riviera Operating Corp.
10-22915-LBR	Riviera Black Hawk, Inc.

Date: November 8, 2010

Time: 10:30 a.m.

DEBTORS' SECOND AMENDED JOINT PLAN OF REORGANIZATION

TABLE OF CONTENTS

	Page
1. DEFINITIONS, RULES OF INTERPRETATION AND COMPUTATION OF TIME.....	1
1.1. Definitions.....	1
1.1.1. Administrative Claim.....	1
1.1.2. Administrative Claim Bar Date.	1
1.1.3. Affiliate.....	1
1.1.4. Agent.....	2
1.1.5. Allowed Administrative Claim.	2
1.1.6. Allowed Claim.	2
1.1.7. Allowed Equity Interest.	2
1.1.8. Assets.	2
1.1.9. Avoidance Actions.....	2
1.1.10. Backstop Commitment Agreement.....	2
1.1.11. Backstop Lenders.....	3
1.1.12. Bankruptcy Code.	3
1.1.13. Bankruptcy Court.	3
1.1.14. Bankruptcy Rules.....	3
1.1.15. Bar Date.	3
1.1.16. Business Day.....	3
1.1.17. Cash.....	3
1.1.18. Cash Collateral Order.	3
1.1.19. Cash Collateral Stipulation.	3
1.1.20. Causes of Action.	3
1.1.21. Chapter 11 Cases.....	3
1.1.22. Claim.....	3
1.1.23. Class.....	4
1.1.24. Class A Shares.	4
1.1.25. Class B Shares.....	4
1.1.26. Company.	4
1.1.27. Confirmation.	4
1.1.28. Confirmation Date.	4
1.1.29. Confirmation Hearing.	4
1.1.30. Confirmation Order.....	4
1.1.31. Consenting Lenders.	4
1.1.32. Consummation.	4
1.1.33. Contingent Claim.	4
1.1.34. Credit Facilities.	4
1.1.35. Creditor.	5
1.1.36. Cure.....	5
1.1.37. Debtors.	5
1.1.38. Designated Consenting Lenders.	5
1.1.39. Designated New Money Election.	5
1.1.40. Designated New Money Election Date.....	5
1.1.41. Designated New Money Investment.	5
1.1.42. Disbursing Agent.	5
1.1.43. Disclosure Statement.	5
1.1.44. Disputed Claim or Disputed Equity Interest.	5
1.1.45. Disputed Claim Reserve.	6
1.1.46. Distribution.	6
1.1.47. D&O Liability Insurance Policy.	6
1.1.48. Effective Date.	6

1	1.1.49. Equity Interest.....	6
2	1.1.50. Estate.....	6
3	1.1.51. Exculpated Claim.....	6
4	1.1.52. Exculpated Party	6
5	1.1.53. Executory Contract	6
6	1.1.54. Final Order.....	6
7	1.1.55. First Lien Credit Agreement.....	7
8	1.1.56. First Priority Senior Secured Claims.....	7
9	1.1.57. Gaming Applications.....	7
10	1.1.58. Gaming Approvals.....	7
11	1.1.59. Gaming Authorities.....	7
12	1.1.60. Gaming Laws.....	7
13	1.1.61. General Unsecured Claim.....	7
14	1.1.62. Governmental and Regulatory Authority.....	7
15	1.1.63. Holder.....	7
16	1.1.64. Impaired.....	7
17	1.1.65. IRS.....	7
18	1.1.66. Intercompany Claims.....	7
19	1.1.67. Intercompany Equity Interests.....	8
20	1.1.68. Libor.....	8
21	1.1.69. Lien.....	8
22	1.1.70. Litigation Claims.....	8
23	1.1.71. Lockup Agreement.....	8
24	1.1.72. Nevada Secretary.....	8
25	1.1.73. New Money Investment.....	8
26	1.1.74. NRS.....	8
27	1.1.75. Other Priority Claims.....	8
28	1.1.76. Other Secured Claims.....	8
	1.1.77. Partial New Money Investment Alternative.....	8
	1.1.78. Person.....	8
	1.1.79. Petition Date.....	9
	1.1.80. Plan.....	9
	1.1.81. Plan Supplement.....	9
	1.1.82. Priority Tax Claim.....	9
	1.1.83. Pro Rata.....	9
	1.1.84. Professional Fees.....	9
	1.1.85. Record Date.....	9
	1.1.86. Released Party.....	9
	1.1.87. Reorganized Debtor(s).....	10
	1.1.88. Requisite Consenting Lenders.....	10
	1.1.89. Revolving Loans.....	10
	1.1.90. Riviera Voteco, L.L.C.....	10
	1.1.91. Schedules.....	10
	1.1.92. Second Lien Credit Agreement.....	10
	1.1.93. Section 510(b) Claim.....	10
	1.1.94. Secured Claim.....	10
	1.1.95. Senior Hedging Agreement.....	10
	1.1.96. Senior Secured Claims.....	10
	1.1.97. Senior Secured Credit Agreement.....	10
	1.1.98. Senior Secured Lender.....	11
	1.1.99. Series A Term Loan.....	11
	1.1.100. Series B Term Loan.....	11
	1.1.101. Series B Term Loan Budget.....	11
	1.1.102. Statutory Committee.....	11
	1.1.103. Subsidiary	11

1	1.1.104. Substantial Consummation Date.....	11
2	1.1.105. Taxes.....	11
3	1.1.106. Total New Money Investment Alternative.....	11
4	1.1.107. Unexpired Lease.....	12
5	1.1.108. Unimpaired.....	12
6	1.1.109. Voting Deadline.....	12
7	1.1.110. Working Capital Facility.....	12
8	1.2. Exhibits and Plan Schedules.....	12
9	1.3. Rules of Interpretation.....	12
10	1.4. Computation of Time.....	12
11	2. TREATMENT OF UNCLASSIFIED CLAIMS.....	12
12	2.1. General.....	12
13	2.2. Treatment of Administrative Claims.....	13
14	2.2.1. Requests for Payment.....	13
15	2.2.2. Allowed Priority Tax Claims.....	13
16	3. DESIGNATION OF CLASSES OF CLAIMS AND EQUITY INTERESTS	13
17	3.1. Summary of Classification.....	14
18	3.2. Specific Classification.....	14
19	3.2.1. Class 1: Other Priority Claims.....	14
20	3.2.2. Class 2: Other Secured Claims.....	14
21	3.2.3. Class 3: General Unsecured Claims.....	14
22	3.2.4. Class 4: First Priority Senior Secured Claims.....	14
23	3.2.5. Class 5: Senior Secured Claims.....	14
24	3.2.6. Class 6: Section 510(b) Claims.....	14
25	3.2.7. Class 7: Intercompany Claims.....	14
26	3.2.8. Class 8: Equity Interest in RHC.....	15
27	3.2.9. Class 9: Intercompany Equity Interests.....	15
28	4. DESIGNATION OF AND PROVISIONS FOR TREATMENT OF CLASSES Of CLAIMS NOT IMPAIRED BY THIS PLAN	15
1	4.1. Class 1 – Other Priority Claims.....	15
2	4.2. Class 2 – Other Secured Claims.....	15
3	4.3. Class 9– Intercompany Equity Interests.....	15
4	5. DESIGNATION OF AND PROVISIONS FOR TREATMENT OF CLASSES OF CLAIMS AND EQUITY INTERESTS IMPAIRED BY THIS PLAN.....	15
5	5.1. Class 3 -- General Unsecured Claims.....	15
6	5.2. Class 4 – First Priority Senior Secured Claims.....	15
7	5.3. Class 5 – Senior Secured Claims.....	16
8	5.4. Class 6 – 510(b) Claims.....	16
9	5.5. Class 7 – Intercompany Claims.....	16
10	5.6. Class 8 – Equity Interests in RHC	16
11	6. MEANS FOR IMPLEMENTATION OF PLAN	16
12	6.1. Reorganized Debtors.....	16
13	6.2. The Total New Money Investment Alternative and the Partial New Money Investment Alternative.....	17
14	6.3. Substantial Consummation Date Events and Designated New Money Election Date Events.....	17
15	6.3.1. Substantial Consummation Date Events.....	17
16	6.3.2. Designated New Money Election Date Events.....	17
17	6.4. Backstop Commitment Agreement.....	18
18	6.5. Class 3 Effective Date Deposit	18

1	6.6.	Post-Effective Date and Pre-Substantial Consummation Date Management and Operations	18
2	6.7.	Post-Substantial Consummation Date Officers and Directors.....	18
3	6.8.	Initial Officers and Directors of Reorganized Debtors.....	19
4	6.9.	No Corporate Action Required.....	19
5	6.10.	Effectuation of Transactions.....	19
6	6.11.	Debtors Organizational Documents.....	19
7	6.12.	Dissolution.....	20
8	6.13.	Filing with Secretary of State.....	20
9	7.	EXECUTORY CONTRACTS AND UNEXPIRED LEASES.....	20
10	7.1.	Executory Contracts.....	20
11	7.2.	Approval of Assumption or Rejection.....	20
12	7.3.	Cure of Defaults.....	20
13	7.4.	Objection to Cure Amounts.....	21
14	7.5.	Confirmation Order.....	21
15	7.6.	Post-Petition Date Contracts and Leases.....	21
16	7.7.	Bar Date.....	21
17	8.	MANNER OF DISTRIBUTION OF PROPERTY UNDER THIS PLAN	21
18	8.1.	Distributions.....	21
19	8.2.	No Postpetition Interest on Claims.....	21
20	8.3.	Delivery of Distributions.....	21
21	8.4.	Minimum Distributions.....	22
22	8.5.	Undeliverable Distributions and Unclaimed Property.....	22
23	8.6.	No Recourse.....	22
24	8.7.	Reserves.....	22
25	8.8.	Statements.....	22
26	8.9.	Further Authorization.....	23
27	9.	CONDITIONS PRECEDENT TO CONFIRMATION AND THE EFFECTIVE DATE.....	23
28	9.1.	Conditions to Confirmation.....	23
29	9.2.	Conditions to Effectiveness.....	23
30	9.3.	Notice of Effectiveness.....	24
31	9.4.	Conditions to Substantial Consummation.....	24
32	9.5.	Waiver of Conditions.....	24
33	10.	TITLE TO PROPERTY; DISCHARGE; INJUNCTION.....	24
34	10.1.	Vesting of Assets.....	24
35	10.2.	Preservation of Litigation Claims.....	25
36	10.3.	Settlement of Litigation Claims.....	25
37	10.4.	Discharge.....	25
38	10.5.	Releases by the Debtors.....	25
39	10.6.	Releases by Holders.....	26
40	10.7.	Injunction.....	26
41	10.8.	Exculpation.....	27
42	10.9.	Director and Officer Liability Insurance.....	27
43	10.10.	Indemnification.....	27
44	11.	RETENTION OF JURISDICTION.....	28
45	11.1.	Jurisdiction.....	28
46	12.	MODIFICATION AND AMENDMENT OF PLAN	29
47	12.1.	Modification and Amendment.....	29

1	13. MISCELLANEOUS	29
2	13.1. Filing of Objections to Claims or Equity Interests.....	29
3	13.2. Resolution of Objections After Effective Date; Distributions.....	30
4	13.3. Effectuating Documents; Further Transactions; Timing.....	30
5	13.4. Exemption from Transfer Taxes.....	30
6	13.5. Revocation or Withdrawal of this Plan.....	31
7	13.6. Binding Effect.....	31
8	13.7. Governing Law.....	31
9	13.8. Modification of Payment Terms.....	31
10	13.9. Allocation of Plan Distributions Between Principal and Interest.....	31
11	13.10. Means of Cash Payment.....	32
12	13.11. Providing for Claims Payments.....	32
13	13.12. Set Offs.....	32
14	13.13. Notices.....	32
15	13.14. Statutory Committee.....	33
16	13.15. Severability.....	33
17	13.16. Withholding and Reporting Requirements.....	33
18	13.17. Post Confirmation Reporting.....	33
19	13.18. No Strict Construction.....	33
20	13.19. Cramdown.....	33
21	13.20. Quarterly Fees to the United States Trustee.....	34
22		
23		
24		
25		
26		
27		
28		

Riviera Holdings Corporation, a Nevada corporation (“RHC”) and its directly wholly-owned subsidiaries, Riviera Operating Corporation, a Nevada corporation (“ROC”) and Riviera Black Hawk, Inc., a Colorado corporation (“RBH” and, together with the foregoing entities, the “Debtors”), propose this Second Amended Joint Plan of Reorganization (“Plan”) for the resolution of Debtors’ outstanding Claims and Equity Interests (as these terms are defined herein). All Creditors (as defined herein), Holders of Equity Interests (as defined herein) and other parties-in-interest should refer to the Disclosure Statement (as this term is defined herein) for a discussion of Debtors’ history, assets, historical financial data, and for a summary and analysis of this Plan and certain related matters.

All Holders of Claims against and Equity Interests in Debtors are encouraged to read this Plan, the Disclosure Statement and the related solicitation materials in their entirety before voting to accept or reject this Plan. Holders of Equity Interests in Class 8 are deemed to have rejected this Plan.

Subject to the restrictions on modifications set forth in Section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019, and those restrictions on modifications set forth in Article 12 to this Plan, Debtors expressly reserve the right to alter, amend, strike, withdraw or modify this Plan one or more times before the Substantial Consummation Date.

1. DEFINITIONS, RULES OF INTERPRETATION AND COMPUTATION OF TIME

1.1. Definitions. For purposes of this Plan, and except as expressly provided herein or unless the context otherwise requires, all capitalized terms not otherwise defined shall have the meanings ascribed to them in this Article 1. Any term used in this Plan that is not defined herein, but is defined in the Bankruptcy Code or the Bankruptcy Rules, shall have the meaning ascribed thereto in the Bankruptcy Code or the Bankruptcy Rules, in that order of priority. Whenever the context requires, such terms shall include the plural as well as the singular, the masculine gender shall include the feminine, and the feminine gender shall include the masculine.

1.1.1. Administrative Claim. A Claim for any cost or expense of administration of the Estates allowed under Sections 503(b), 507(b), 546(c)(2) and 1114(e)(2) of the Bankruptcy Code and entitled to priority under Section 507(a)(2) of the Bankruptcy Code, including, but not limited to: (i) any fees payable pursuant to Section 1930 of Title 28 of the United States Code; (ii) the actual and necessary costs and expenses, including Taxes, incurred on or after the Petition Date of preserving the respective Estates and operating the business of the Debtors, including wages, salaries, or commissions for services rendered after the commencement of the Chapter 11 Cases; (iii) the value of any goods received by Debtors within 20 days before the Petition Date which goods have been sold to Debtors in the ordinary course of their business; (iv) all Professional Fees approved by the Bankruptcy Court pursuant to interim and final allowances; (v) the Superpriority Claims (as defined in the Cash Collateral Stipulation) granted in favor of the Agent and Senior Secured Lenders and approved by the Bankruptcy Court in the Cash Collateral Order; and (vi) the administrative claim granted in favor of the Backstop Lenders and approved by the Bankruptcy Court in the Confirmation Order. To the extent that a Claim is allowed as an Administrative Claim pursuant to Section 365(d)(3) and (d)(5) of the Bankruptcy Code, such Claim shall also be deemed an Administrative Claim under this paragraph.

1.1.2. Administrative Claim Bar Date. The end of the first Business Day occurring on or after the sixtieth (60th) day after the Substantial Consummation Date.

1.1.3. Affiliate. This term has the meaning set forth in Section 101(2) of the Bankruptcy Code.

1 **1.1.4. Agent.** Cantor Fitzgerald Securities, in its capacity as administrative agent
 2 and collateral agent under the Senior Secured Credit Agreement.

3 **1.1.5. Allowed Administrative Claim.** An Administrative Claim: (i) as to which
 4 no objection has been filed or, if an objection has been filed, has been resolved by the allowance
 5 of such Administrative Claim by a Final Order of the Bankruptcy Court; or (ii) which requires
 6 payment in the ordinary course of a Debtor's business and as to which there is no Final Order of
 7 the Bankruptcy Court in effect which prohibits any such payment.

8 **1.1.6. Allowed Claim.** A Claim or any portion thereof that is not a Disputed
 9 Claim: (i) that is allowed pursuant (w) to this Plan or Final Order of the Bankruptcy Court, (x) to
 10 any stipulation with the Debtors executed prior to the Confirmation Date and approved by the
 11 Bankruptcy Court, (y) to any stipulation with Debtors or the Reorganized Debtors, as applicable,
 12 executed on or after the Confirmation Date and approved by the Bankruptcy Court or (z) to any
 13 contract, instrument, indenture or other agreement entered into or assumed in connection
 14 herewith; (ii) proof of which, requests for payment of which, or application for allowance of
 15 which, was filed or deemed to be filed on or before the Bar Date, as the case may be, for filing
 16 proofs of Claim or requests for payment of Claims of such type against the Debtors; or (iii)
 17 which has been or hereafter is listed by the Debtors in the Schedules as liquidated in amount and
 18 not disputed or contingent; and in the case of (ii) or (iii) no objection to the allowance thereof has
 19 been interposed within the applicable period of limitation fixed by this Plan, the Bankruptcy
 20 Code, the Bankruptcy Rules or the Bankruptcy Court or the Bankruptcy Court has entered a
 21 Final Order allowing all or a portion of such Claim. Notwithstanding anything herein to the
 22 contrary, by treating a Claim as an Allowed Claim for estimation purposes under Section 502(c)
 23 Debtors do not waive their rights to contest the amount and validity of any disputed, contingent
 24 or unliquidated Claim in the manner and venue in which such Claim would have been
 25 determined, resolved or adjudicated if the Chapter 11 Cases had not been commenced. Any
 26 Claim that has been or is hereafter listed in the Schedules as contingent, unliquidated or disputed,
 27 and for which no proof of Claim has been filed on or before the Bar Date, shall not be considered
 28 an Allowed Claim hereunder and shall be deemed disallowed upon entry of the Confirmation
 Order.

1 **1.1.7. Allowed Equity Interest.** An Equity Interest that is allowed pursuant to:
 2 (i) this Plan; (ii) any stipulation executed with the Debtors prior to the Confirmation Date and
 3 approved by the Bankruptcy Court; (iii) any stipulation with the Debtors or the Reorganized
 4 Debtors, as applicable, executed on or after the Confirmation Date and approved by the
 5 Bankruptcy Court; or (iv) any contract, instrument, indenture or other agreement entered into or
 6 assumed in connection herewith.

7 **1.1.8. Assets.** All of the assets, property, interests, including equity interests, and
 8 effects, Cash, receivables, real and personal, tangible and intangible, wherever situated, of
 9 Debtors, as they exist on the Effective Date.

10 **1.1.9. Avoidance Actions.** All avoidance, recovery, subordination and other
 11 similar actions preserved for the Estate under the Bankruptcy Code, including but not limited to
 12 those set forth in Sections 510, 541, 542, 543, 544, 545, 547, 548, 549, 550, 551, 553(b) and
 13 724(a) of the Bankruptcy Code regardless of whether or not such action has been commenced
 14 prior to the Effective Date.

15 **1.1.10. Backstop Commitment Agreement.** That certain agreement between
 16 the Backstop Lenders and Debtors executed prior to the Petition Date together with Amendment
 17 No. 1 to the Backstop Commitment Agreement dated on or about September 14, 2010, pursuant
 18 to which the Backstop Lenders commit to provide the New Money Investment in the event that
 19 less than all Senior Secured Lenders elect to participate therein.

1 **1.1.11. Backstop Lenders.** Senior Secured Lenders from time to time party to the
 2 Backstop Commitment Agreement.

3 **1.1.12. Bankruptcy Code.** The Bankruptcy Reform Act of 1978, Title 11,
 4 United States Code, as applicable to the Chapter 11 Cases, as now in effect or hereafter
 amended, 11 U.S.C. §§ 101 et seq.

5 **1.1.13. Bankruptcy Court.** The United States Bankruptcy Court for the District
 6 of Nevada, having jurisdiction over the Chapter 11 Cases and, to the extent of the withdrawal of
 any reference under Section 157 of title 28 of the United States Code and/or the General Order of
 the District Court pursuant to Section 151 of title 28 of the United States Code, the United States
 District Court for the District of Nevada.

7 **1.1.14. Bankruptcy Rules.** The Federal Rules of Bankruptcy Procedure, as
 8 applicable to the Chapter 11 Cases, promulgated under 28 U.S.C. § 2075 and the general, local
 and chambers rules of the Bankruptcy Court.

9 **1.1.15. Bar Date.** The date or dates established by this Plan, order of the
 10 Bankruptcy Court or the Bankruptcy Code or Bankruptcy Rules for the filing of proofs of Claim
 for all Creditors.

11 **1.1.16. Business Day.** Any day, other than a Saturday, Sunday or “legal holiday”
 12 (as defined in Bankruptcy Rule 9006(a)).

13 **1.1.17. Cash.** The legal tender of the United States of America or the equivalent
 14 thereof, including bank deposits, checks, wire transfers and other cash equivalents.

15 **1.1.18. Cash Collateral Order.** The Final Order approving the Cash Collateral
 Stipulation.

16 **1.1.19. Cash Collateral Stipulation.** That Stipulation Authorizing Use of Cash
 17 Collateral by the Debtors and Granting Adequate Protection.

18 **1.1.20. Causes of Action.** All actions, causes of action, Litigation Claims,
 19 Claims, liabilities, obligations, rights, suits, debts, damages, judgments, remedies, demands,
 setoffs, defenses, recoupments, crossclaims, counterclaims, third-party claims, indemnity claims,
 contribution claims and any other claims disputed or undisputed, suspected or unsuspected,
 foreseen or unforeseen, direct or indirect, choate or inchoate, existing or hereafter arising, in law,
 equity or otherwise, based in whole or in part upon any act or omission or other event occurring
 prior to the Petition Date or during the course of the Chapter 11 Cases, up to and through the
 Substantial Consummation Date.

22 **1.1.21. Chapter 11 Cases.** When used with reference to a particular Debtor, the
 23 chapter 11 case for that Debtor in the Bankruptcy Court, and when used with reference to all
 Debtors, the procedurally consolidated chapter 11 cases for all of the Debtors in the Bankruptcy
 Court.

24 **1.1.22. Claim.** Any right to payment from a Debtor, whether or not such right is
 25 reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed,
 undisputed, legal, equitable, secured or unsecured or any right to an equitable remedy for breach
 of performance if such breach gives rise to a right of payment from a Debtor, whether or not
 such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured,
 disputed, undisputed, secured or unsecured.

28 ///

1 **1.1.23. Class.** A category of Holders of Claims or Equity Interests pursuant to
 2 Section 1122(a) of the Bankruptcy Code as classified in this Plan.
 3

4 **1.1.24. Class A Shares.** New common stock consisting of 100% of the full-
 5 voting common shares authorized and issued by Reorganized RHC to Riviera Voteco, L.L.C. on
 6 the Substantial Consummation Date. The holders of Class A Shares shall not be entitled to any
 7 economic distributions or other analogous or related rights vis-à-vis Reorganized RHC.
 8

9 **1.1.25. Class B Shares.** New common stock consisting of 100% of the limited-
 10 voting common shares authorized and issued by Reorganized RHC to various parties in interest
 11 on the Substantial Consummation Date and Designated New Money Election Date, as applicable,
 12 as set forth in this Plan, entitling the holders thereof, in the aggregate, to 100% of the economic
 13 distributions made by Reorganized RHC. In any liquidation, dissolution or winding up of
 14 Reorganized RHC, all assets of Reorganized RHC will be distributed to holders of the Class B
 15 Shares on a pro rata basis. Holders of Class B Shares will be entitled to a separate class vote
 16 only with respect to the approval of: (i) any amendment or modification to the certificate of
 17 incorporation or bylaws of Reorganized RHC; (ii) any sale, lease or transfer of all or
 18 substantially all assets of Reorganized RHC, or any merger or consolidation of Reorganized
 19 RHC with or into another person; (iii) any liquidation, dissolution or winding up of Reorganized
 20 RHC; and (iv) any decision by Reorganized RHC to exit the gaming business. Except as
 provided in the immediately prior sentence, holders of the Class B Shares shall not have any
 voting rights whatsoever.
 21

22 **1.1.26. Company.** Collectively, all the Debtors in these Chapter 11 Cases and
 23 each subsidiary.
 24

25 **1.1.27. Confirmation.** The entry of the Confirmation Order on the docket of the
 26 Chapter 11 Cases, subject to all conditions specified therein and in this Plan having been
 27 satisfied or waived by the Person having the authority to do so.
 28

16 **1.1.28. Confirmation Date.** The date upon which the Bankruptcy Court enters
 17 the Confirmation Order on the docket of the Chapter 11 Cases, within the meaning of
 18 Bankruptcy Rules 5003 and 9021.
 19

20 **1.1.29. Confirmation Hearing.** The duly noticed initial hearing held by the
 21 Bankruptcy Court to confirm this Plan pursuant to Section 1128 of the Bankruptcy Code, and
 22 any subsequent hearing held by the Bankruptcy Court from time to time to which the initial
 23 hearing is adjourned without further notice other than the announcement of the adjourned dates
 24 at the Confirmation Hearing.
 25

26 **1.1.30. Confirmation Order.** The order of the Bankruptcy Court confirming this
 27 Plan pursuant to Section 1129 of the Bankruptcy Code.
 28

22 **1.1.31. Consenting Lenders.** Senior Secured Lenders party to the Lockup
 23 Agreement.
 24

25 **1.1.32. Consummation.** The occurrence of the Substantial Consummation Date.
 26

27 **1.1.33. Contingent Claim.** A Claim which is contingent, unmatured or
 28 unliquidated on or immediately before the Confirmation Date.
 29

27 **1.1.34. Credit Facilities.** The First Lien Credit Agreement, the Second Lien
 28 Credit Agreement (to the extent the Total New Money Investment Alternative is effectuated) and
 the related loan documents, in each case, to be executed by Reorganized RHC, each other
 29

1 Reorganized Debtor and certain of their other Subsidiaries on the Substantial Consummation
 2 Date and Designated New Money Election Date, as applicable.

3 **1.1.35. Creditor.** Any Holder of a Claim, whether or not such Claim is an
 4 Allowed Claim.

5 **1.1.36. Cure.** The distribution on the Effective Date or as soon thereafter as
 6 practicable of Cash, or such other property as may be agreed upon by the parties or ordered by
 7 the Bankruptcy Court, with respect to the assumption of an Executory Contract or Unexpired
 8 Lease, pursuant to Section 365(b) of the Bankruptcy Code, in an amount equal to all unpaid
 9 monetary obligations, due under such Executory Contract or Unexpired Lease, to the extent such
 10 obligations are enforceable under the Bankruptcy Code and applicable non-bankruptcy law.

11 **1.1.37. Debtors.** As defined in the introduction above.

12 **1.1.38. Designated Consenting Lenders.** Each of: SCH/VIII Bonds, L.L.C.,
 13 SCH/VIII Bonds II, L.L.C., SCH/VIII Bonds III, L.L.C., SCH/VIII Bonds IV, L.L.C.,
 14 Strategic Value Special Situations Master Fund, L.P., Cerberus Series Four Holdings, LLC or its
 15 designated affiliates, and Desert Rock Enterprises, LLC, excluding each of their respective non-
 16 Affiliate transferees, but including each of their respective Affiliate transferees, successors,
 17 assigns, heirs, executors, administrators and representatives.

18 **1.1.39. Designated New Money Election.** An affirmative election made by the
 19 New Board within 10 days following the Substantial Consummation Date to accept, on behalf of
 20 the Reorganized Debtors, the Designated New Money Investment.

21 **1.1.40. Designated New Money Election Date.** The date on which the New
 22 Board makes the Designated New Money Election; it being understood that in no event shall
 23 such date occur later than the 10th day following the Substantial Consummation Date.

24 **1.1.41. Designated New Money Investment.** To the extent the Designated New
 25 Money Election is made, additional liquidity in the amount of \$20.0 million to be provided to
 26 Reorganized RHC by certain participating Senior Secured Lenders on the Designated New
 27 Money Election Date and evidenced by the Series B Term Loan.

28 **1.1.42. Disbursing Agent.** The Reorganized Debtors or any party designated by
 29 the Reorganized Debtors to serve as disbursing agent under this Plan.

30 **1.1.43. Disclosure Statement.** The disclosure statement for this Plan, as
 31 amended, supplemented or modified from time to time, describing this Plan that is prepared and
 32 distributed in accordance with, among others, Sections 1125, 1126(b) and 1145 of the
 33 Bankruptcy Code, Bankruptcy Rule 3018 and other applicable law.

34 **1.1.44. Disputed Claim or Disputed Equity Interest.** A Claim or Equity
 35 Interest or any portion thereof that is: (i) subject to timely objection interposed by a Debtor,
 36 Reorganized Debtor, or any party-in-interest entitled to file and prosecute such objection in a
 37 Debtor's Chapter 11 Case, if at such time such objection has not been withdrawn or determined
 38 by Final Order; (ii) a Claim that is listed by a Debtor as disputed, unliquidated or contingent in
 39 the Schedules; or (iii) if no objection has been timely filed, a Claim which has been asserted in a
 40 timely filed proof of Claim in an amount greater than or in a Class different than that listed by a
 41 Debtor in the Schedules as liquidated in amount and not disputed or contingent; provided,
 42 however, that the Bankruptcy Court may estimate a Disputed Claim for purposes of allowance
 43 pursuant to Section 502(c) of the Bankruptcy Code. The term "Disputed", when used to modify
 44 a reference in this Plan to any Claim or Equity Interest (or Class of Claims or Equity Interest),
 45 shall mean a Claim or Equity Interest (or any Claim or Equity Interest in such Class) that is a

1 Disputed Claim or Disputed Equity Interest. In the event there is a dispute as to classification or
 2 priority of a Claim or Equity Interest, it shall be considered a Disputed Claim or Disputed Equity
 3 Interest in its entirety. Until such time as a Contingent Claim becomes fixed and absolute, such
 4 Claim shall be treated as a Disputed Claim and not an Allowed Claim for purposes related to
 5 allocations and distributions under this Plan.

6 **1.1.45. Disputed Claim Reserve.** A reserve(s) established to hold in one or more
 7 accounts Cash or other Assets on account of Disputed Claims.

8 **1.1.46. Distribution.** Any distribution by Debtors or Reorganized Debtors to the
 9 Holders of Allowed Claims and Holders of Allowed Equity Interests as of the Record Date.

10 **1.1.47. D&O Liability Insurance Policy.** As defined in Section 10.9 of this
 11 Plan.

12 **1.1.48. Effective Date.** The first Business Day after the 14th day following the
 13 entry of the Confirmation Order and after which the conditions as set forth in Section 9.2 below
 14 have been satisfied or waived.

15 **1.1.49. Equity Interest.** Any share of common stock, preferred stock,
 16 membership interest or other instrument evidencing an ownership interest in a Debtor, whether
 17 or not transferable, and any option, warrant or right, contractual or otherwise, to acquire any such
 18 interest in a Debtor that existed immediately prior to the Substantial Consummation Date.

19 **1.1.50. Estate.** As to each Debtor, the estate created for the Debtor in its Chapter
 20 11 Case pursuant to Section 541 of the Bankruptcy Code.

21 **1.1.51. Exculpated Claim.** Any Claim related to any act or omission in
 22 connection with, relating to, or arising out of the Debtors' in or out of court restructuring efforts,
 23 the Chapter 11 Cases, formulation, preparation, dissemination, negotiation or filing of the
 24 Disclosure Statement, the Plan (including any term sheets related thereto) or any contract,
 25 instrument, release or other agreement or document created or entered into in connection with
 26 the Disclosure Statement, the Plan, the filing of the Chapter 11 Cases, the pursuit of
 27 Confirmation, the pursuit of Consummation, the administration and implementation of the Plan,
 28 including the issuance of the Class A Shares and Class B Shares and implementation of the
 Credit Facilities, or the distribution of Assets under the Plan or any other agreement.

29 **1.1.52. Exculpated Party** (i) The Debtors, the Reorganized Debtors and their
 30 Affiliates; (ii) the Agent; (iii) each Holder of a First Priority Senior Secured Claim, in its
 31 capacity as such; (iv) each Holder of a Senior Secured Claim in its capacity as such; (v) the
 32 Requisite Consenting Lenders, in their capacity as such; (vi) each Backstop Lender in its
 33 capacity as such; (vii) the Designated Consenting Lenders in their capacity as such; (viii) each
 34 member of any Statutory Committee; (ix) with respect to each of the foregoing entities in clauses
 35 (i) through (viii), such Person's current and former Affiliates, managed accounts or funds,
 36 Subsidiaries, officers, directors, principals, employees, agents, financial advisors, attorneys,
 37 accountants, investment bankers, consultants, representatives and other professionals, in each
 38 case in their capacity as such; and (x) the Debtors' and the Reorganized Debtors' current and
 39 former officers, directors, principals, employees, agents, financial advisors, attorneys,
 40 accountants, investment bankers, consultants, representatives and other professionals.

41 **1.1.53. Executory Contract.** A contract to which one or more of Debtors is a
 42 party that is subject to assumption or rejection under Section 365 of the Bankruptcy Code.

43 **1.1.54. Final Order.** An order or judgment of the Bankruptcy Court, or other
 44 court of competent jurisdiction, entered on the docket of such court, that has not been reversed,

1 rescinded, stayed, modified or amended, that is in full force and effect, and as to which order or
 2 judgment: (i) the time to appeal, seek review or rehearing, or petition for certiorari has expired
 3 and no timely filed appeal or petition for review, rehearing, remand or certiorari is pending; or
 4 (ii) any appeal taken or petition for certiorari or request for reargument or further review or
 5 rehearing filed (a) has been resolved by the appellate court to which the order or judgment was
 6 appealed or from which review, rehearing or certiorari was sought or (b) has not yet been
 7 resolved by such appellate court, but such order has not been stayed pending appeal.
 8 Notwithstanding the foregoing, the Confirmation Order shall become a Final Order on the 14th
 9 day following entry of such Confirmation Order unless any appeal of such Confirmation Order is
 10 accompanied by a stay pending appeal.

11 **1.1.55. First Lien Credit Agreement.** The credit agreement to be executed on
 12 the Substantial Consummation date evidencing and governing the terms and conditions of the
 13 Series A Term Loan and Working Capital Facility.

14 **1.1.56. First Priority Senior Secured Claims.** All Claims to the Petition Date (i)
 15 arising under, or in any way related to the Senior Secured Credit Agreement for prepetition
 16 interest and fees on account of the Term Loans and Revolving Credit Loans and (ii) with respect
 17 to the periodic payments due under the Secured Hedging Agreement and any interest accrued
 18 thereon.

19 **1.1.57. Gaming Applications.** All applications required to be completed and
 20 filed with Gaming Authorities to effectuate the transactions contemplated by this Plan under
 21 Gaming Laws.

22 **1.1.58. Gaming Approvals.** All approvals, findings of suitability, clearances,
 23 waivers and/or variances being issued, granted or given by or under the authority of any Gaming
 24 Authorities or under any Gaming Laws regarding or related to a transaction under this Plan.

25 **1.1.59. Gaming Authorities.** The Governmental or Regulatory Authorities
 26 which regulate gaming activities in Nevada and Colorado.

27 **1.1.60. Gaming Laws.** The Nevada and Colorado gaming laws, ordinances and
 28 regulations as promulgated from time to time by a Governmental or Regulatory Authority having
 jurisdiction over the activities of the Debtors or Reorganized Debtors, as applicable.

29 **1.1.61. General Unsecured Claim.** Any prepetition unsecured Claim against any
 30 Debtor that is not an Administrative Claim, Other Priority Claim, Priority Tax Claim, or
 31 Intercompany Claim.

32 **1.1.62. Governmental and Regulatory Authority.** Any court, tribunal, arbiter,
 33 authority, agency, commission, official or other governmental body or instrumentality in the
 34 United States, any foreign country or any domestic or foreign county, city or other political
 35 subdivision.

36 **1.1.63. Holder.** Each Person holding an Equity Interest or Claim.

37 **1.1.64. Impaired.** Impaired within the meaning of Section 1124 of the
 38 Bankruptcy Code.

39 **1.1.65. IRS.** The Internal Revenue Service.

40 **1.1.66. Intercompany Claims.** Any and all Claims of a Debtor against another
 41 Debtor, whether or not set forth in an account reflecting intercompany book entries by one
 42 Debtor with respect to another Debtor.

1 **1.1.67. Intercompany Equity Interests.** An Equity Interest in a Debtor or
 2 Subsidiary of a Debtor held by another Debtor or Subsidiary of a Debtor.

3 **1.1.68. Libor.** This term shall have the meaning set forth in the Credit Facilities.

4 **1.1.69. Lien.** This term shall have the meaning set forth in Section 101(37) of the
 5 Bankruptcy Code and, with respect to any Asset, includes, without limitation, any mortgage,
 6 lien, pledge, charge, security interest or other encumbrance of any kind, or any other type of
 7 preferential arrangement that has the practical effect of creating a security interest, in respect of
 8 such Asset.

9 **1.1.70. Litigation Claims.** All rights, claims, torts, liens, liabilities, obligations,
 10 actions, causes of action, Avoidance Actions, derivative actions, proceedings, debts, contracts,
 11 judgments, damages and demands whatsoever in law or in equity, whether known or unknown,
 12 contingent or otherwise, that any Debtor or its Estate may have against any Person, including but
 13 not limited to those listed on Schedule 1.1.70 hereto. Failure to list a Litigation Claim on
 14 Schedule 1.1.70 shall not constitute a waiver or release by any Debtor or Reorganized Debtor of
 15 such Litigation Claim.

16 **1.1.71. Lockup Agreement.** The restructuring and lockup letter agreement dated
 17 July 12, 2010, among the Debtors and the Consenting Lenders.

18 **1.1.72. Nevada Secretary.** The Secretary of State of the State of Nevada.

19 **1.1.73. New Money Investment.** (i) if the Total New Money Investment
 20 Alternative is effectuated under this Plan, consummation of the Designated New Money
 21 Investment and the Working Capital Facility, or (ii) if the Partial New Money Investment
 22 Alternative is effectuated under this Plan, consummation of the Working Capital Facility. Each
 23 Senior Secured Lender participating in the New Money Investment will receive, based on its
 24 amount of participation in the New Money Investment and in addition to any amounts received
 25 in respect of its First Priority Senior Secured Claims and Senior Secured Claims as provided
 26 hereunder, the consideration described in Section 6.3 below.

27 **1.1.74. NRS.** The Nevada Revised Statutes, as amended from time to time.

28 **1.1.75. Other Priority Claims.** Any and all Claims accorded priority in right of
 29 payment under Section 507(a) of the Bankruptcy Code, other than Administrative Claims and
 30 Priority Tax Claims.

31 **1.1.76. Other Secured Claims.** Any Secured Claim other than a Senior Secured
 32 Claim or a First Priority Senior Secured Claim.

33 **1.1.77. Partial New Money Investment Alternative.** (i) The exchange by each
 34 Holder of an Allowed First Priority Senior Secured Claim of its Allowed First Priority Senior
 35 Secured Claim for a portion of the Series A Term Loan in a principal amount equal to such
 36 Allowed First Priority Senior Secured Claim; (ii) the exchange by each Holder of an Allowed
 37 Senior Secured Claim of its Allowed Senior Secured Claim for: (a) a portion of the Series A
 38 Term Loan in principal amount up to such Holder's Pro Rata share of \$50,000,000 less the
 39 portion of the Series A Term Loan received by the Holders of First Priority Senior Secured
 40 Claims; and (b) such Holder's Pro Rata share of 93.0% of the Class B Shares (subject to dilution
 41 under certain circumstances described herein) and (iii) the consummation by those certain
 42 participating Senior Secured Lenders participating therein of the Working Capital Facility.

43 **1.1.78. Person.** An individual, corporation, limited liability company,
 44 partnership, association, joint stock company, joint venture, estate, trust, unincorporated

1 organization, governmental unit or any subdivision thereof or any other entity.

2 **1.1.79. Petition Date.** The date on which Debtors filed their voluntary petitions
3 commencing the Chapter 11 Cases.

4 **1.1.80. Plan.** This plan of reorganization, either in its present form or as it may
5 be amended, supplemented or modified from time to time, including all exhibits and schedules
6 annexed hereto or referenced herein, with the approval of the Requisite Consenting Lenders.

7 **1.1.81. Plan Supplement.** The compilation of documents and forms of
8 documents, schedules and exhibits to the Plan to be filed by the Debtors no later than five (5)
9 Business Days before the Voting Deadline, and additional documents filed before the Effective
10 Date as amendments to the Plan Supplement, including, without limitation, the following: (a)
11 new by laws and certificate of incorporation of Reorganized RHC; (b) operating agreement and
12 certificate of formation of Riviera Voteco, L.L.C.; (c) amended organizational documents for
13 each Reorganized Debtor (other than Reorganized RHC); (d) the Credit Facilities; (e) a list of
14 retained Causes of Action, if any; (f) employee agreements and senior management incentive
15 plan; and (g) the amount of Cure, if any, associated with each Executory Contract and Unexpired
16 Lease assumed pursuant to Article 7 of the Plan. The form of the Plan Supplement shall be
17 subject to the consent (which consent shall not be unreasonably withheld) of the Requisite
18 Consenting Lenders; provided, however, the new by-laws, the new certificates of incorporation
19 and Credit Facilities shall be subject to the consent of the Requisite Consenting Lenders in all
20 respects. Any reference to the Plan Supplement in this Plan shall include each of the documents
21 identified above as (a) through (g).

22 **1.1.82. Priority Tax Claim.** Any unsecured Claim against Debtors entitled to
23 priority in payment under Sections 502(i) and 507(a)(8) of the Bankruptcy Code.

24 **1.1.83. Pro Rata.** The ratio of an Allowed Claim or Allowed Equity Interest in a
25 particular Class to the aggregate amount of all such Allowed Claims or Allowed Equity Interests
26 in any such Class.

27 **1.1.84. Professional Fees.** Claims for compensation and reimbursement
28 submitted pursuant to Sections 330, 331 or 503(b) of the Bankruptcy Code of Persons: (i)
employed pursuant to an order of the Bankruptcy Court under Sections 327, 328 or 1103 of the
Bankruptcy Code; or (ii) for whom compensation and reimbursement has been allowed by the
Bankruptcy Court pursuant to Section 503(b)(4) of the Bankruptcy Code or by other Final Order,
in each case, to the extent that any such fees and expenses have not been previously paid
(regardless of whether a fee application has been filed for any such amount) and after applying
any retainer that has been provided to such Professional. To the extent that the Bankruptcy
Court or any higher court of competent jurisdiction denies or reduces by a Final Order any
amount of a Professional's fees or expenses, then those reduced or denied amounts shall no
longer constitute Allowed Professional Fees.

29 **1.1.85. Record Date.** The date that is thirty (30) days after the Petition Date for
30 the purpose of determining the Holders of Equity Interests and Holders of Senior Secured
31 Claims.

32 **1.1.86. Released Party.** (i) Each Holder of a First Priority Senior Secured
33 Claims, in its capacity as such; (ii) the Agent; (iii) each Holder of a Senior Secured Claim in its
34 capacity as such; (iv) the Requisite Consenting Lenders in their capacity as such; (v) the
35 Designated Consenting Lenders, in their capacity as such; (vi) each Backstop Lender in its
36 capacity as such; (vii) each member of any Statutory Committee; (viii) with respect to each of
37 the foregoing entities in clauses (i) through (vii), such Person's current and former Affiliates,
38 managed accounts or funds, subsidiaries, officers, directors, principals, employees, agents,

1 financial advisors, attorneys, accountants, investment bankers, consultants, representatives and
 2 other professionals, in each case in their capacity as such; and (ix) the Debtors' and the
 3 Reorganized Debtors' current and former officers, directors, principals, employees, agents,
 financial advisors, attorneys, accountants, investment bankers, consultants, representatives and
 other professionals.

4 **1.1.87. Reorganized Debtor(s).** Each of or collectively, RHC, ROC and RBH, as
 such entities exist on or after the Substantial Consummation Date in each case, or any successor
 thereto, by merger, consolidation or otherwise.

6 **1.1.88. Requisite Consenting Lenders.** Designated Consenting Lenders holding
 no less than two-thirds in aggregate amount of the First Priority Senior Secured Claims and
 Senior Secured Claims held by all Designated Consenting Lenders.

8 **1.1.89. Revolving Loans.** This term shall have the meaning set forth in the
 definition of Working Capital Facility below. The Revolving Loans shall bear interest with
 9 interest payable quarterly in cash at an interest rate equal to Libor plus 5.0%, with a Libor floor
 equal to 2.0%.

10 **1.1.90. Riviera Voteco, L.L.C.** Riviera Voteco, L.L.C., a Nevada limited
 liability company, to be organized on or before the Substantial Consummation Date.

12 **1.1.91. Schedules.** The schedules of assets and liabilities and any amendments
 thereto filed by Debtors with the Bankruptcy Court in accordance with Section 521(1) of the
 13 Bankruptcy Code.

14 **1.1.92. Second Lien Credit Agreement.** The credit agreement to be executed on
 the Designated New Money Election Date if the Total New Money Investment Alternative is
 15 effectuated, evidencing and governing the terms and conditions of the Series B Term Loan.

16 **1.1.93. Section 510(b) Claim.** Any Claim (a) arising from rescission of a
 purchase or sale of a security of the Debtors or any Affiliate of the Debtors, (b) for damages
 17 arising from the purchase or sale of such security or (c) for reimbursement or contribution
 allowed under Section 502 of the Bankruptcy Code on account of such Claim.

18 **1.1.94. Secured Claim.** A Claim that is secured by a Lien against property of the
 Estate to the extent of the value of any interest in such property of the Estate securing such Claim
 which Lien is valid, perfected and enforceable pursuant to applicable law or by reason of a
 20 Bankruptcy Court order or to the extent of the amount of such Claim subject to setoff in
 accordance with Section 553 of the Bankruptcy Code, in either case as determined pursuant to
 21 Section 506(a) of the Bankruptcy Code.

22 **1.1.95. Senior Hedging Agreement.** That certain Master Agreement dated as of
 May 31, 2007 by and between RHC and Wachovia Bank, National Association).

23 **1.1.96. Senior Secured Claims.** All obligations of any kind whatsoever arising
 under, or related to, the Senior Secured Credit Agreement and Secured Hedging Agreement,
 24 other than the First Priority Senior Secured Claims, including all accrued, unpaid interest and
 fees thereunder regardless of whether such interest is Allowed or allowable under section 506(b)
 of the Bankruptcy Code.

25 **1.1.97. Senior Secured Credit Agreement.** That certain Credit Agreement dated
 as of June 8, 2007 (as amended from time to time), which as of the Petition Date provided for a
 \$225,000,000 seven year term loan ("Term Loans") and a \$3,000,000 five year revolver
 ("Revolving Credit Loans").

1 **1.1.98. Senior Secured Lender.** Each existing Holder of a Senior Secured Claim
 2 or First Priority Senior Secured Claim.

3 **1.1.99. Series A Term Loan.** The \$50,000,000 first priority senior secured term
 4 loan to be issued on the Substantial Consummation Date evidenced by the First Lien Credit
 5 Agreement, maturing on the fifth anniversary of the Substantial Consummation Date, with
 6 interest payable quarterly in cash at an interest rate equal to Libor plus 5.0% with a Libor floor
 7 equal to 2.0%.

8 **1.1.100. Series B Term Loan.** The \$20,000,000 second priority senior secured
 9 term loan to be made if the Total New Money Investment Alternative is effectuated on the
 10 Designated New Money Election Date for general working capital and other general corporate
 11 purposes under the Second Lien Credit Agreement, maturing on the 8th anniversary of the
 12 Designated New Money Election Date, with interest payable quarterly (i) in cash at an interest
 13 rate equal to Libor plus 3.0% and (ii) in kind at an interest rate equal to Libor plus 13.0%, in
 14 each case, with a Libor floor equal to 2.0%.

15 **1.1.101. Series B Term Loan Budget.** The budget, if any, unanimously
 16 consented to by the Designated Consenting Lenders, pursuant to the terms of which the
 17 Designated New Money Investment shall be made available to Reorganized RHC.

18 **1.1.102. Statutory Committee.** Collectively, any committee appointed pursuant
 19 to Section 1102 of the Bankruptcy Code.

20 **1.1.103. Subsidiary.** As to any Debtor, any Person more than 50% of whose
 21 equity interest having by its terms ordinary voting power to elect a majority of the directors of
 22 such Person is at the time owned by such Debtor directly, or indirectly through such Debtor's
 23 other Subsidiaries

24 **1.1.104. Substantial Consummation Date.** The day that is the third Business
 25 Day after the Effective Date on which: (i) no stay of the Confirmation Order is in effect; (ii) all
 26 conditions to the Effective Date contained in Section 9.2 hereof have occurred or been waived
 27 (as provided in Section 9.5; and (iii) all conditions to the Substantial Consummation Date
 28 contained in Section 9.4 hereof have occurred or been waived as provided in Section 9.5.
 Notwithstanding the foregoing, the Substantial Consummation Date must occur no later than six
 (6) months following the Effective Date unless extended by mutual agreement of Debtors and
 Consenting Lenders; provided that all applications and supporting documentation necessary for
 applicable Governmental and Regulatory Authorities to commence the full licensing process
 shall be submitted within seven (7) Business Days of the Effective Date and, if not so submitted,
 the six (6) month period shall commence upon the date that all applications and licensing
 materials are deemed fully submitted by each of the Governmental and Regulatory Authorities.

29 **1.1.105. Taxes.** All income, gaming, franchise, excise, sales, use, employment,
 30 withholding, property, payroll or other taxes, assessments, of governmental charges, together
 31 with any interest penalties, additions to tax, fines, and similar amounts relating thereto, whether
 32 or not yet assessed or imposed, collected by, or due to any federal, state, local or foreign
 33 governmental authority. This shall include all Taxes arising out of or attributable to the business
 34 of the Debtors up to and including the Substantial Consummation Date, whether assessed or
 35 determined or payable prior to or after the Substantial Consummation Date.

36 **1.1.106. Total New Money Investment Alternative.** (i) The exchange by each
 37 Holder of an Allowed First Priority Senior Secured Claim of its Allowed First Priority Senior
 38 Secured Claim for a portion of the Series A Term Loan in a principal amount equal to such
 39 Allowed First Priority Senior Secured Claim, (ii) the exchange by each Holder of an Allowed
 40 Senior Secured Claim of its Allowed Senior Secured Claim for (a) a portion of the Series A

1 Term Loan in principal amount up to such Holder's Pro Rata share of \$50,000,000 less the
 2 portion of the Series A Term Loan received by the Holders of First Priority Senior Secured
 3 Claims and (b) such Holder's Pro Rata share of 80.0% of the Class B Shares (subject to dilution
 4 under certain circumstances described herein) and (iii) the consummation by those Senior
 5 Secured Lenders participating therein of the Designated New Money Investment and the
 6 Working Capital Facility.

7 **1.1.107. Unexpired Lease.** A lease of non-residential real property to which one
 8 or more of Debtors is a party that is subject to assumption or rejection under Section 365 of the
 9 Bankruptcy Code.

10 **1.1.108. Unimpaired.** Not Impaired within the meaning of Section 1124 of the
 11 Bankruptcy Code.

12 **1.1.109. Voting Deadline.** The deadline provided for in the order approving the
 13 Disclosure Statement for the receipt of ballots voting to accept or reject this Plan.

14 **1.1.110. Working Capital Facility.** The \$10.0 million revolving credit facility to
 15 be provided by participating Senior Secured Lenders on the Substantial Consummation Date
 16 under the First Lien Credit Agreement pursuant to which such Senior Secured Lenders make
 17 available up to \$10.0 million in aggregate principal amount of revolving loans (the "Revolving
 18 Loans") to Reorganized RHC from time to time subject to the conditions contained therein the
 19 proceeds of which will be used by RHC for general working capital and other corporate
 20 purposes.

21 **1.2. Exhibits and Plan Schedules.** All exhibits and plan schedules attached hereto
 22 are incorporated into and are a part of this Plan as if set forth in full herein.

23 **1.3. Rules of Interpretation.** For purposes of this Plan only: (i) any reference in this
 24 Plan to a contract, instrument, release, or other agreement or documents being in particular form
 25 or on particular terms and conditions means that such document shall be substantially in such
 26 form or substantially on such terms and conditions; (ii) any reference in this Plan to an existing
 27 document or exhibit filed or to be filed means such document or exhibit as it may have been or
 28 may be amended, modified, or supplemented; (iii) unless otherwise specified, all references in
 this Plan to Sections, Articles, Schedules and Exhibits are references to Sections, Articles,
 Schedules and Exhibits of or to this Plan; (iv) the words "herein", "hereof", "hereto", and
 "hereunder" refer to this Plan in its entirety rather than to a particular portion of this Plan; (v)
 captions and headings to Articles and Sections are inserted for convenience of reference only and
 are not intended to be a part of or to affect the interpretation of this Plan; and (vi) the rules of
 construction and definitions set forth in Sections 101 and 102 of the Bankruptcy Code and in the
 Bankruptcy Rules shall apply unless otherwise expressly provided.

29 **1.4. Computation of Time.** In computing any period of time prescribed or allowed by
 30 this Plan, unless otherwise expressly provided herein, the provisions of Bankruptcy Rule 9006(a)
 31 shall apply.

32 **2. TREATMENT OF UNCLASSIFIED CLAIMS**

33 **2.1. General.** Pursuant to Section 1123(a)(1) of the Bankruptcy Code, the Claims
 34 against each of the Debtors set forth in this Article 2 are not classified within any Classes. The
 35 Holders of such Claims are not entitled to vote on this Plan. The treatment of the Claims set
 36 forth below is consistent with the requirements of Section 1129(a)(9)(A) of the Bankruptcy
 37 Code. The Chapter 11 Cases for each of the Debtors will not be substantively consolidated.
 38 Accordingly, Holders of unclassified Claims against a particular Debtor shall have their Claims

allowed and treated in such respective Debtor's Estate. As such, each category of unclassified Claims shall be deemed to exist for each applicable Debtor.

2.2. Treatment of Administrative Claims. Except to the extent that a Holder of an Allowed Administrative Claim and the applicable Debtor(s) agree to less favorable treatment with respect to such Holder, each such Holder shall be paid in full and final satisfaction of such Claim, by the applicable Debtor, or after the Substantial Consummation Date the applicable Reorganized Debtor, (or otherwise satisfied in accordance with its terms), upon the latest of: (i) the Effective Date or as soon thereafter as practicable; (ii) such date as may be fixed by the Bankruptcy Court; (iii) the fourteenth (14th) Business Day after such Claim is Allowed or as soon thereafter as practicable; (iv) the date such Claim becomes due by its terms; and (v) such date as is agreed to by the Holder of such Claim and the applicable Debtor or applicable Reorganized Debtor.

2.2.1. Requests for Payment. All requests for payment of Administrative Claims against a Debtor and all final applications for allowance and disbursement of Professional Fees must be filed by the Administrative Claim Bar Date or the Holders thereof shall be forever barred from asserting such Administrative Claims against Debtors and the Reorganized Debtors. All Professional Fee applications must be in compliance with all of the terms and provisions of any applicable order of the Bankruptcy Court, including the Confirmation Order, and all other orders governing payment of Professional Fees. Unless otherwise ordered by the Bankruptcy Court, from and after the Effective Date no professional shall be required to file fee applications with the Bankruptcy Court, and the Debtors or the Reorganized Debtors, as applicable, may pay all professionals in the ordinary course for reasonable fees and expenses related to implementation and consummation of the Plan incurred after the Effective Date. Notwithstanding the foregoing, no request for payment of an Administrative Claim shall be filed with respect to an Administrative Claim previously allowed by the Cash Collateral Order or any other Final Order.

2.2.2. Allowed Priority Tax Claims. Except to the extent a Holder of an Allowed Priority Claim agrees to less favorable treatment, each Holder of an Allowed Priority Tax Claim, if any, will, in full and final satisfaction of such Claim, be paid in full (or be treated in compliance with Section 1129(a)(9)(C) of the Bankruptcy Code) by the applicable Debtor, or after the Substantial Consummation Date by the applicable Reorganized Debtor, on the latest of (i) the Effective Date or as soon thereafter as practicable; (ii) such date as may be fixed by the Bankruptcy Court; (iii) the fourteenth (14th) Business Day after the date on which an order allowing such Claim becomes a Final Order; or (iv) such date as is agreed to by the Holder of such Claim and the applicable Debtor or the applicable Reorganized Debtor.

3. DESIGNATION OF CLASSES OF CLAIMS AND EQUITY INTERESTS

Pursuant to this Plan and in accordance with Section 1123(a)(1) of the Bankruptcy Code, all Claims and Equity Interests (except Administrative Claims and Priority Tax Claims) are placed in the Classes described below with respect to each Debtor, as applicable. A Claim or Equity Interest is classified in a particular Class only to the extent that the Claim or Equity Interest qualifies within the description of that Class and is classified in other Classes only to the extent that any remainder of the Claim or Equity Interest qualifies within the description of such other Classes. A Claim or Equity Interest is also classified in a particular Class only to the extent that such Claim or Equity Interest is an Allowed Claim or Allowed Equity Interest in that Class and has not been paid, released or otherwise satisfied prior to the Effective Date. With respect to Classes of Claims described as Unimpaired under this Plan, except as otherwise provided under this Plan, nothing shall affect the rights and legal and equitable defenses of a Debtor, or a Reorganized Debtor, regarding such Claims classified as Unimpaired under this Plan, including but not limited to all rights in respect of legal and equitable defenses to setoff or recoupment against such Claims.

1 **3.1. Summary of Classification.**

2	Class 1	Other Priority Claims	Unimpaired- deemed accepted - no solicitation required
3	Class 2	Other Secured Claims	Unimpaired- deemed accepted - no solicitation required
4	Class 3	General Unsecured Claims	Impaired- entitled to vote - solicitation required
5	Class 4	First Priority Senior Secured Claims	Impaired-entitled to vote - solicitation required
6	Class 5	Senior Secured Claims	Impaired- entitled to vote - solicitation required
7	Class 6	Section 510(b) Claims	Impaired – deemed rejected – no solicitation required
8	Class 7	Intercompany Claims	Impaired/Unimpaired- deemed accepted/deemed rejected - no solicitation required
9	Class 8	Equity Interest in RHC	Impaired- deemed rejected - no solicitation required
10	Class 9	Intercompany Equity Interests	Unimpaired- deemed accepted - no solicitation required

11 **3.2. Specific Classification.**

12 **3.2.1. Class 1: Other Priority Claims.** Class 1 consists of all Other Priority
13 Claims against a Debtor.

14 **3.2.2. Class 2: Other Secured Claims.** Class 2 consists of all Other Secured
15 Claims against a Debtor.

16 **3.2.3. Class 3: General Unsecured Claims.** Class 3 consists of all General
17 Unsecured Claims against a Debtor other than with respect to deficiency claims arising from
18 Senior Secured Claims.

19 **3.2.4. Class 4: First Priority Senior Secured Claims.** Class 4 consists of all
20 First Priority Senior Secured Claims.

21 **3.2.5. Class 5: Senior Secured Claims.** Class 5 consists of all Senior Secured
22 Claims.

23 **3.2.6. Class 6: Section 510(b) Claims.** Class 6 consists of all Section 510(b)
24 Claims.

25 **3.2.7. Class 7: Intercompany Claims.** Class 7 consists of all Intercompany
26 Claims against Debtors.

1 **3.2.8. Class 8: Equity Interest in RHC.** Class 8 consists of all RHC Equity
 2 Interests.
 3

4 **3.2.9. Class 9: Intercompany Equity Interests.** Class 9 consists of all
 5 Intercompany Equity Interests in Debtors.
 6

7 **4. DESIGNATION OF AND PROVISIONS FOR TREATMENT OF CLASSES OF
 8 CLAIMS NOT IMPAIRED BY THIS PLAN**

9 **4.1. Class 1 – Other Priority Claims.** Except to the extent that a Holder of an
 10 Allowed Other Priority Claim agrees to less favorable treatment, each Holder of an Allowed
 11 Other Priority Claim, if any, shall, in full and final satisfaction of such Claim, be paid in full in
 12 Cash by the applicable Debtor or applicable Reorganized Debtor, as the case may be, upon the
 13 latest of: (i) the Effective Date or as soon thereafter as practicable; (ii) such date as may be fixed
 14 by the Bankruptcy Court; (iii) the fourteenth (14th) Business Day after such Claim is Allowed;
 15 and (iv) such date as agreed upon by the Holder of such Claim and the applicable Debtor, and
 16 after the Substantial Consummation Date, the applicable Reorganized Debtor. Holders of Claims
 17 in Class 1 are Unimpaired under this Plan, deemed to have accepted this Plan pursuant to Section
 18 1126(f) of the Bankruptcy Code, and are not entitled to vote on this Plan.
 19

20 **4.2. Class 2 – Other Secured Claims.** Except to the extent that a Holder of an
 21 Allowed Other Secured Claim agrees to less favorable treatment, each Holder of an Allowed
 22 Other Secured Claim, if any, shall, in full and final satisfaction of such Claim, be paid in full in
 23 Cash or otherwise left Unimpaired by the applicable Debtor or applicable Reorganized Debtor,
 24 as the case may be, upon the latest of: (i) the Effective Date or as soon thereafter as practicable;
 25 (ii) such date as may be fixed by the Bankruptcy Court; (iii) the fourteenth (14th) Business Day
 1 after such Claim is Allowed; and (iv) such date as agreed upon by the Holder of such Claim and
 2 the applicable Debtor, and after the Substantial Consummation Date, the applicable Reorganized
 3 Debtor. Creditors in Class 2 are Unimpaired under this Plan, deemed to have accepted this Plan,
 4 and are not entitled to vote on this Plan.
 5

6 **4.3. Class 9– Intercompany Equity Interests.** Except as otherwise provided herein,
 7 Intercompany Equity Interests shall be retained and the legal, equitable, and contractual rights to
 8 which the Holders of such Intercompany Equity Interests are entitled shall remain unaltered.
 9 Holders of Class 9 Intercompany Equity Interests are Unimpaired under this Plan and are not
 10 entitled to vote on this Plan.
 11

12 **5. DESIGNATION OF AND PROVISIONS FOR TREATMENT OF CLASSES OF
 13 CLAIMS AND EQUITY INTERESTS IMPAIRED BY THIS PLAN**

14 **5.1. Class 3 -- General Unsecured Claims.** On the Substantial Consummation Date,
 15 each holder of an Allowed General Unsecured Claim, other than with respect to deficiency
 16 claims arising from the Senior Secured Claims, will receive from the applicable Reorganized
 17 Debtor, in full satisfaction of its Allowed Claim, payment in full thereof, but in no event shall the
 18 total payment to the Holders of Allowed General Unsecured Claims exceed \$3,000,000 in total;
 19 it being understood that if such total payment would exceed \$3,000,000, the Holders of Allowed
 20 General Unsecured Claims shall instead receive their Pro Rata share of \$3,000,000 in full
 21 satisfaction of their Allowed General Unsecured Claims. Holders of Class 3 Claims are
 22 Impaired under this Plan and are entitled to vote on this Plan.
 23

24 **5.2. Class 4 – First Priority Senior Secured Claims** The First Priority Senior
 25 Secured Claims shall be Allowed and deemed to be Allowed Claims in an amount determined by
 1 the Agent, the applicable Holders of First Priority Senior Secured Claims and the Debtors or as
 2 determined by the Court by final order and shall not be subject to any right or legal or equitable
 3 defense of any Debtor. On the Substantial Consummation Date, the First Priority Senior Secured
 4

1 Claims shall be cancelled and each existing Holder of such Claims shall receive in full and final
 2 satisfaction of such Claims a portion of the Series A Term Loan in a principal amount equal to
 3 such First Priority Senior Secured Claim. Holders of Class 4 Claims are Impaired under this
 4 Plan and are entitled to vote on this Plan.

5 **5.3. Class 5 – Senior Secured Claims.** The Senior Secured Claims through the
 6 Petition Date shall be Allowed and deemed to be Allowed in an amount determined by Agent,
 7 the applicable Holders of Senior Secured Claims and the Debtors or as determined by the Court
 8 by final order and shall not be subject to any right or legal or equitable defense of any Debtor.
 9 On the Substantial Consummation Date, the Senior Secured Claims shall, subject to the right of
 10 Holders of Senior Secured Claims to receive the consideration described in the last sentence of
 11 this paragraph on account thereof, be cancelled and each Holder of such Claims shall receive in
 12 full and final satisfaction of such Claims: (i) a portion of the Series A Term Loan in a principal
 13 amount up to such Holder's Pro Rata share of \$50,000,000 less the portion of the Series A Term
 14 Loan received by the Holders of First Priority Senior Secured Claims and (ii) such Holder's Pro
 15 Rata share of 80.0% of the Class B Shares subject to dilution under certain circumstances
 16 described herein. Further, each Holder of such Claims shall receive such Holder's Pro Rata
 17 share of an additional 13.0% of the Class B Shares subject to dilution under certain
 18 circumstances described herein on (i) if the Partial New Money Investment Alternative is
 19 effectuated as a result of the Designated Consenting Lenders being unable to unanimously agree
 20 on the terms of the Series B Term Loan Budget on or before the date that is 30 days after the
 21 entry of the order approving the adequacy of the Disclosure Statement, the Substantial
 22 Consummation Date and (ii) if the Partial New Money Investment Alternative is effectuated as a
 23 result of the Designated New Money Election not being made, the Designated New Money
 24 Election Date.

25 Holder of Class 5 Claims are Impaired under this Plan and are entitled to vote on this
 26 Plan.

27 **5.4. Class 6 – 510(b) Claims.** Holders of Section 510(b) Claims shall not receive any
 28 distribution on account of such Claims. On the Effective Date all Section 510(b) Claims shall be
 29 discharged. Holders of Class 6 Claims are Impaired under this Plan, not entitled to vote on this
 30 Plan and deemed to have rejected this Plan.

31 **5.5. Class 7 – Intercompany Claims.** On the Substantial Consummation Date, at the
 32 option of the Debtors or the Reorganized Debtors, the Intercompany Claims of any Debtor
 33 against any other Debtor shall either be reinstated, in full or in part, or cancelled and discharged,
 34 in full or in part, in which case such cancelled and discharged portion shall be eliminated and the
 35 Holders thereof shall not be entitled to, and shall not receive or retain, any property or interest in
 36 property on account of such portion. Holders of Class 7 Claims shall be either Impaired or
 37 Unimpaired, not entitled to vote on this Plan and deemed to have either rejected or accepted this
 38 Plan, as applicable.

39 **5.6. Class 8 – Equity Interests in RHC.** On the Substantial Consummation Date, all
 40 Class 8 Equity Interests in RHC shall be cancelled and Holders of Class 8 Equity Interests shall
 41 not receive any distribution on account of such Equity Interests. Holders of Class 8 Equity
 42 Interests in RHC are Impaired under this Plan, not entitled to vote on this Plan and deemed to
 43 have rejected this Plan.

44 6. MEANS FOR IMPLEMENTATION OF PLAN

45 **6.1. Reorganized Debtors.** Except as provided for herein, the Reorganized Debtors
 46 shall continue to exist after the Substantial Consummation Date as separate entities in
 47 accordance with applicable law. Where applicable, the existing articles of incorporation and
 48 bylaws or articles of organization and operating agreements will continue in effect following the

1 Substantial Consummation Date, except to the extent that such articles of incorporation and
 2 bylaws or articles of organization and operating agreements are amended in conformance with
 3 this Plan, or by proper corporate actions implemented after the Substantial Consummation Date.

4 **6.2. The Total New Money Investment Alternative and the Partial New Money**
Investment Alternative. This Plan provides for potential implementation of one of two
 5 financing alternatives: (1) the Total New Money Investment Alternative or (2) the Partial New
 6 Money Investment Alternative. In the event (a) the Designated Consenting Lenders have
 7 unanimously agreed upon the terms of the Series B Term Loan Budget on or before the date that
 8 is 30 days after the entry of the order approving the adequacy of the Disclosure Statement and
 9 (b) the Designated New Money Election is made, the Total New Money Investment Alternative
 shall be effectuated hereunder. If, however, (x) the Designated Consenting Lenders are unable to
 unanimously agree on the terms of the Series B Term Loan Budget on or before the date that is
 30 days after the entry of the order approving the adequacy of the Disclosure Statement or (y) the
 Designated Consenting Lenders unanimously so agree but the Designated New Money
 Election is not made, the Partial New Money Investment Alternative shall be effectuated
 hereunder instead of the Total New Money Investment Alternative.

10 **6.3. Substantial Consummation Date Events and Designated New Money Election**
Date Events.

11 **6.3.1. Substantial Consummation Date Events.**

12 a) (i) The Working Capital Facility shall be consummated, (ii) the First Lien
 13 Credit Agreement shall be executed and delivered and (iii) each Senior Secured Lender
 14 will receive its ratable share of notes evidencing the Series A Term Loan and each Senior
 15 Secured Lender electing to participate in the Working Capital Facility will receive its
 ratable share of notes evidencing the Revolving Loans outstanding from time to time
 under the Working Capital Facility;

16 b) Reorganized RHC shall issue 100% of the Class A Shares to Riviera
 17 Votec, L.L.C.; and

18 c) Reorganized RHC shall issue (i) 80% of the Class B Shares ratably to
 19 Holders of Senior Secured Claims, (ii) 7.0% of the Class B Shares ratably to those certain
 20 Senior Secured Lenders electing to participate in the Working Capital Facility and (iii) if
 21 the Partial New Money Investment Alternative is effectuated as a result of the Designated
 Consenting Lenders being unable to unanimously agree on the terms of the Series B
 Term Loan Budget on or before the date that is 30 days after the entry of the order
 22 approving the adequacy of the Disclosure Statement, 13.0% of the Class B Shares ratably
 to Holders of Senior Secured Claims.

23 **6.3.2. Designated New Money Election Date Events.**

24 a) To the extent the Total New Money Investment Alternative is effectuated,
 25 (i) the Series B Term Loan shall be consummated, (ii) the Second Lien Credit Agreement
 26 shall be executed and delivered and (iii) each Senior Secured Lender electing to
 27 participate in the Series B Term Loan will receive its ratable share of notes evidencing
 the Series B Term Loan, which shall be issued and delivered in accordance with the
 Credit Facilities, and penny warrants to purchase up to 10.0% of the Class B Shares (it
 being understood that such penny warrants shall result in dilution of the amount of Class
 B Shares received by all Holders of Senior Secured Claims under Section 5.3 above and
 otherwise received by those certain Senior Secured Lenders as consideration for
 28 participating in the New Money Investment);

b) Riviera Voteco, L.L.C. shall issue (i) if the Total New Money Alternative is effectuated, (A) 80.0% of its membership interest (the "Voteco Interest") ratably to the Holders of Senior Secured Claims or their designees, as applicable, (B) 15.0% of the Voteco Interests ratably to those Holders of Senior Secured Claims (including, without limitation, the Backstop Lenders) electing to participate in the New Money Investment or their designees, as applicable, and (C) 5.0% of the Voteco Interests ratably to the Backstop Lenders in accordance with the Backstop Commitment Agreement or their designees, as applicable; or (ii) if the Partial New Money Investment Alternative is effectuated: (A) 93.0% of the Voteco Interest ratably to the Holders of Senior Secured Claims or their designees, as applicable, and (B) 7.0% of the Voteco Interests ratably to those Holders of Senior Secured Claims (including, without limitation, the Backstop Lenders) electing to participate in the New Money Investment or their designees, as applicable; provided, however, that in the case of both clause (i) and (ii) above, any such Holder (or, if applicable, designated Person) which fails to obtain necessary licenses under the Gaming Laws on or prior to the Designated New Money Election Date shall, instead of receiving Voteco Interest, receive penny warrants to purchase such Person's ratable share of the Voteco Interest immediately upon such Person becoming so licensed; and

c) Reorganized RHC shall issue, (i) if the Total New Money Investment Alternative is effectuated: (A) 8% of the Class B Shares ratably to those Holders of Senior Secured Claims electing to participate in the New Money Investment; and (B) 5% of the Class B Shares ratably to the Backstop Lenders in accordance with the Backstop Commitment Agreement and (ii) if the Partial New Money Investment is effectuated as a result of the Designated New Money Election not being made, 13.0% of the Class B Shares ratably to Holders of Senior Secured Claims.

6.4. Backstop Commitment Agreement. On the Effective Date the Debtors are authorized and directed to implement the Backstop Commitment Agreement.

6.5. Class 3 Effective Date Deposit. On the Effective Date, Debtors shall deposit \$3.0 million in cash into a separate reserve account (the "Class 3 Reserve Fund") to be established in consultation with the Committee under the direction and control of Debtors and for the benefit of the Holders of Allowed Class 3 Claims. The Class 3 Reserve Fund shall be used exclusively to pay Allowed Class 3 General Unsecured Claims as provided in Section 5.1 above. After the later of the Effective Date and the Bar Date, and subject to the provisions of Section 13.2 below, the Debtors and Reorganized Debtors, as applicable, reserve the right to seek Bankruptcy Court approval to withdraw funds from the Class 3 Reserve Fund if it determines that the Allowed Class 3 Claims aggregate less than \$3 million.

6.6. Post-Effective Date and Pre-Substantial Consummation Date Management and Operations. From the Effective Date until the Substantial Consummation Date, the Debtors will continue to be managed by the existing managers, officers and directors under their existing employment agreements regarding the management of operations, maintenance of working capital and utilization of cash flows of the Reorganized Debtors, all in accordance with applicable Gaming Laws and the Budget (as defined in the Cash Collateral Stipulation). The Debtors and, after the Substantial Consummation Date, Reorganized Debtors, shall be responsible for the payment of all Allowed Claims to be paid pursuant to this Plan which are not paid on or before the Substantial Consummation Date, as well as all Allowed Claims, including Taxes and Professional Fees, incurred by the Debtors.

6.7. Post-Substantial Consummation Date Officers and Directors. On the Substantial Consummation Date the existing board of directors of RHC (the “Old Board”) will be deemed to have resigned without any further action on the part of RHC or the Old Board, and the initial board of directors of Reorganized RHC (the “New Board”) will be composed of five

1 directors, including a chairman, which will be selected by Riviera Voteco, L.L.C. prior to the
 2 commencement of the Confirmation Hearing.

3 **6.8. Initial Officers and Directors of Reorganized Debtors.** The Consenting
 4 Lenders will disclose, no later than two weeks prior to the Confirmation Hearing, the identity
 5 and affiliations of each Person proposed to serve on the New Board and each initial board of
 6 directors of each other Reorganized Debtor, and, to the extent such Person is an insider other
 7 than by virtue of being a director, the nature of any compensation for such Person. The
 8 Consenting Lenders will further disclose at such time the identity of the Person proposed to be
 9 the Chief Executive Officer of Reorganized RHC. The directors of Reorganized RHC will be
 10 selected by Voteco, which will hold 100% of the Class A Shares of Reorganized RHC. Each
 11 such director and officer shall serve from and after the Substantial Consummation Date pursuant
 12 to applicable law (including, without limitation, gaming and licensing approvals) and the terms
 13 of the organizational documents of the applicable Reorganized Debtors..

14 **6.9. No Corporate Action Required.** As of the Effective Date and Substantial
 15 Consummation Date, as the case may be: (i) the adoption, execution, delivery and
 16 implementation or assignment of all contracts, leases, instruments, releases and other agreements
 17 related to or contemplated by this Plan; and (ii) the other matters provided for under or in
 18 furtherance of this Plan involving corporate action to be taken by or required of each Debtor
 19 shall be deemed to have occurred and be effective as provided herein, and shall be authorized
 20 and approved in all respects without further order of the Bankruptcy Court or any requirement of
 21 further action by the officers of each Debtor. Without limiting the foregoing, the adoption of the
 22 new and/or amended organizational documents, and the selection of directors and officers for,
 23 each of the Reorganized Debtors, and all other actions contemplated by or described in this Plan
 24 with respect thereto, shall be authorized and approved and be binding and in full force and effect
 25 in all respects (subject to the provisions of this Plan and the Confirmation Order), in each case
 26 without further notice to or order of the Bankruptcy Court, act or action under applicable law,
 27 regulation, order, or rule (other than filing such organizational documents with the applicable
 28 governmental unit as required by applicable law) or the vote, consent, authorization or approval
 29 of any Person.

30 **6.10. Effectuation of Transactions.** On the Effective Date, the Substantial
 31 Consummation Date or Designated New Money Election Date, as applicable, the appropriate
 32 officers of the Debtors and the Reorganized Debtors and members of their respective boards of
 33 directors are authorized to issue, execute, and deliver, and consummate the transactions
 34 contemplated by, the contracts, agreements, documents, guarantees, pledges, consents, securities,
 35 certificates, resolutions and instruments contemplated by or described in this Plan to be
 36 effectuated on the Effective Date, the Substantial Consummation Date or the Designated New
 37 Money Election Date, as applicable, in the name of and on behalf of the Debtors and
 38 Reorganized Debtors, in each case without further notice to or order of the Bankruptcy Court, act
 39 or action under applicable law, regulation, order, or rule or any requirement of further action,
 40 vote or other approval or authorization by any Person.

41 **6.11. Debtors Organizational Documents.** As of the Substantial Consummation Date,
 42 the certificates or articles of incorporation and by-laws or other organizational documents of
 43 each of the Debtors shall be amended as necessary to satisfy the provisions of this Plan and the
 44 Bankruptcy Code, and shall: (i) include, among other things, pursuant to section 1123(a)(6) of
 45 the Bankruptcy Code, a provision prohibiting, the issuance of non-voting equity securities, but
 46 only to the extent required by section 1123(a)(6) of the Bankruptcy Code; and (ii) to the extent
 47 necessary or appropriate, include such provisions as may be needed to effectuate and
 48 consummate this Plan and the transactions contemplated herein.

49 ///

1 **6.12. Dissolution.** On the Substantial Consummation Date, Debtors' affiliates Riviera
 2 Gaming Management, Inc. and Riviera Gaming Management of Colorado, Inc., shall be
 3 dissolved.

4 **6.13. Filing with Secretary of State.** To the extent applicable, in accordance with
 5 NRS 78.622 and any such analogous Colorado statute, on the Effective Date a certified copy of
 6 this Plan and the Confirmation Order shall be filed with the Nevada Secretary. Each corporate
 7 Debtor, from the Confirmation Date until the Effective Date, is authorized and directed to take
 8 any action or carry out any proceeding necessary to effectuate this Plan pursuant to NRS 78.622.
 9 To the extent there is an analogous Colorado statute, the same shall apply to each Debtor.

10 **7. EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

11 **7.1. Executory Contracts.** Except for Executory Contracts and Unexpired Leases
 12 specifically addressed in this Plan or set forth on the schedule of Rejected Executory Contracts
 13 and Unexpired Leases attached as Schedule 7.1 hereto (which may be supplemented and
 14 amended up to the date the Bankruptcy Court enters the Confirmation Order only with the
 15 approval of the Debtors and the Requisite Consenting Lenders), all Executory Contracts and
 16 Unexpired Leases that exist on the Confirmation Date shall be deemed assumed by the
 17 applicable Debtor on the Effective Date. Neither the exclusion nor inclusion of any Executory
 18 Contract or Unexpired Lease on Schedule 7.1 hereto, nor anything contained in this Plan shall
 19 constitute an admission by the Debtors that any such contract or lease is in fact an Executory
 20 Contract or Unexpired Lease or that any Reorganized Debtor has any liability thereunder. If
 21 there is a dispute regarding whether a contract or lease is or was executory or unexpired at the
 22 time of assumption or rejection, the Debtors or Reorganized Debtors, as applicable, shall have 30
 23 days following entry of a Final Order resolving such dispute to alter their treatment of such
 24 contract or lease hereunder.

25 **7.2. Approval of Assumption or Rejection.** Entry of the Confirmation Order shall
 26 constitute as of the Effective Date: (i) approval, pursuant to Section 365(a) of the Bankruptcy
 27 Code, of the assumption by the applicable Debtor of each Executory Contract and Unexpired
 28 Lease to which a Debtor is a party not listed on Schedule 7.1, not otherwise provided for in this
 29 Plan and neither assumed, assumed and assigned nor rejected by separate order prior to the
 30 Effective Date; and (ii) rejection by the Debtor of each Executory Contract and Unexpired Lease
 31 to which such Debtor is a party listed on Schedule 7.1. Upon the Effective Date, each counter
 32 party to an assumed Executory Contract or Unexpired Lease shall be deemed to have consented
 33 to assumption contemplated by Section 365(c)(1)(B) of the Bankruptcy Code, to the extent such
 34 consent is necessary for such assumption. To the extent applicable, all Executory Contracts or
 35 Unexpired Leases of Reorganized Debtors assumed pursuant to this Section 7 shall be deemed
 36 modified such that the transactions contemplated by this Plan shall not be a "change of control,"
 37 however such term may be defined in the relevant Executory Contract or Unexpired Lease and
 38 any required consent under any such Executory Contract or Unexpired Lease shall be deemed
 39 satisfied by the confirmation of this Plan.

40 **7.3. Cure of Defaults.** The applicable Debtor shall Cure any defaults in respect of
 41 each Executory Contract or Unexpired Lease assumed pursuant to this Section 7 upon the latest
 42 of (i) the Effective Date or as soon thereafter as practicable; (ii) such dates as may be fixed by
 43 the Bankruptcy Court or agreed upon by such Debtor, and after the Substantial Consummation
 44 Date, the Reorganized Debtor; or (iii) the fourteenth (14th) Business Day after the entry of a
 45 Final Order resolving any dispute regarding (a) a Cure amount; (b) the ability of the Debtor or
 46 the Reorganized Debtor to provide adequate assurance of future performance under the
 47 Executory Contract or Unexpired Lease assumed pursuant to this Plan in accordance with
 48 Section 365(b)(1) of the Bankruptcy Code; or (c) any matter pertaining to assumption,
 49 assignment or the Cure of a particular Executory Contract or an Unexpired Lease. Schedule 7.3
 50 to the Plan lists the Debtors' proposed Cure amounts, if any, that will be paid as provided for

1 above, which Schedule 7.3 may be amended up to and including the five (5) days prior to the
 2 commencement of the Confirmation Hearing.

3 **7.4. Objection to Cure Amounts.** Any party to an Executory Contract or Unexpired
 4 Lease who objects to the listed Cure amounts must file and serve an objection on Debtors
 5 counsel no later than thirty (30) days after the Effective Date. Failure to file and serve a timely
 6 objection shall be deemed consent to the Cure amounts listed on Schedule 7.3. Any Cure
 7 amounts shall be the responsibility of the applicable Reorganized Debtor. If there is a dispute
 8 regarding: (i) the amount of any Cure payment; (ii) the ability of a Reorganized Debtor to
 9 provide “adequate assurance of future performance” under the Executory Contract or Unexpired
 10 Lease to be assumed or assigned; or (iii) any other matter pertaining to assumption, the Cure
 11 payments required by Section 365(b)(1) of the Bankruptcy Code will be made following the
 12 entry of a Final Order resolving the dispute and approving the assumption.

13 **7.5. Confirmation Order.** The Confirmation Order will constitute an order of the
 14 Bankruptcy Court approving the assumptions described in this Section 7, pursuant to Section 365
 15 of the Bankruptcy Code, as of the Effective Date. Notwithstanding the foregoing, if, as of the
 16 date the Bankruptcy Court enters the Confirmation Order, there is pending before the Bankruptcy
 17 Court a dispute concerning the cure amount or adequate assurance for any particular Executory
 18 Contract or Unexpired Lease (or if the time period for a non-Debtor to object to the Cure has not
 19 yet lapsed), the assumption of such Executory Contract or Unexpired Lease shall be effective as
 20 of the date the Bankruptcy Court enters an order resolving any such dispute and authorizing
 21 assumption by the applicable Debtor.

22 **7.6. Post-Petition Date Contracts and Leases.** Each such Executory Contract and
 23 Unexpired Lease entered into by a Debtor after the Petition Date shall be performed by the
 24 Debtor or the Reorganized Debtor, as applicable, in the ordinary course of its business.

25 **7.7. Bar Date.** All proofs of Claims with respect to Claims arising from the rejection
 26 of any Executory Contract or Unexpired Lease shall be filed no later than thirty (30) days after
 27 the Effective Date. Any Claim not filed within such time shall be forever barred.

28 **8. MANNER OF DISTRIBUTION OF PROPERTY UNDER THIS PLAN**

1 **8.1. Distributions.** Each Debtor, and if applicable, Reorganized Debtor, shall be
 2 responsible for making Distributions described in this Plan. Except as otherwise provided in this
 3 Plan or the Confirmation Order, all Cash necessary for the Reorganized Debtors to make
 4 payments pursuant to this Plan shall be obtained from existing Cash balances, the operations of
 5 the Debtors and the Reorganized Debtors or the New Money Investment. The Reorganized
 6 Debtors may also make such payments using Cash received from their subsidiaries through their
 7 consolidated cash management systems. Holders of Claims and Equity Interests shall not be
 8 entitled to interest, dividends or accruals on the distributions provided for in this Plan, regardless
 9 of whether such distributions are delivered on or at any time after the Effective Date or
 10 Substantial Consummation Date, as applicable. The Debtors shall have no obligation to
 11 recognize any transfer of Claims or Equity Interest occurring on or after the Record Date.

12 **8.2. No Postpetition Interest on Claims.** Unless otherwise specifically provided for
 13 in the Plan or the Confirmation Order, or required by applicable bankruptcy law, postpetition
 14 interest, late fees and penalties shall not accrue or be paid on any Claims and no Holder of a
 15 Claim shall be entitled to interest accruing on or after the Petition Date on any such Claim.

16 **8.3. Delivery of Distributions.** Except as otherwise provided in the Plan,
 17 distributions to Holders of Allowed Claims shall be made to Holders of record as of the
 18 Confirmation Date by the Debtors or Reorganized Debtors: (1) in case of Holders of First
 19 Priority Senior Secured Claims and Senior Secured Claims, directly to the Holder thereof; (2) to

1 the signatory set forth on any of the proofs of Claim filed by such Holder or other representative
 2 identified therein; (3) at the addresses set forth in any written notices of address changes
 3 delivered to the Debtors or Reorganized Debtors after the date of any related proof of Claim; (4)
 4 at the addresses reflected in the Schedules if no proof of Claim has been filed and the Debtors or
 5 Reorganized Debtors has not received a written notice of a change of address; or (5) on any
 6 counsel that has appeared in the Chapter 11 Cases on the Holder's behalf. The Debtors, the
 7 Reorganized Debtors, and the Disbursing Agent, as applicable, shall not incur any liability
 8 whatsoever on account of any distributions under the Plan except for gross negligence or willful
 9 misconduct.

10 **8.4. Minimum Distributions.** No fractional Class A Shares or Class B Shares shall
 11 be distributed and no Cash shall be distributed in lieu of such fractional amounts. When any
 12 distribution pursuant to this Plan on account of an Allowed Claim would otherwise result in the
 13 issuance of a number of Class A Shares or Class B Shares that is not a whole number, the actual
 14 distribution of such shares shall be rounded as follows: (a) fractions of one half ($\frac{1}{2}$) or greater
 15 shall be rounded to the next higher whole number and (b) fractions of less than one half ($\frac{1}{2}$) shall
 16 be rounded to the next lower whole number with no further payment therefore. The total number
 17 of authorized Class A Shares and Class B Shares to be distributed to holders of Allowed Claims
 18 and the Backstop Lenders shall be adjusted as necessary to account for the foregoing rounding.

19 **8.5. Undeliverable Distributions and Unclaimed Property.** In the event that any
 20 distribution to any Holder is returned as undeliverable, no distribution to such Holder shall be
 21 made unless and until the Debtors or Reorganized Debtors, as applicable, have determined the
 22 then current address of such Holder, at which time such distribution shall be made to such
 23 Holder without interest; provided, however, that such distributions shall be deemed unclaimed
 24 property under section 347(b) of the Bankruptcy Code at the expiration of one year from the
 25 Effective Date or Substantial Consummation Date, as applicable. After such date, all unclaimed
 26 property or interests in property shall revert to the Reorganized Debtors automatically and
 27 without need for a further order by the Bankruptcy Court (notwithstanding any applicable
 28 federal, provincial or state escheat, abandoned or unclaimed property laws to the contrary), and
 the Claim of any Holder to such property or interest in property shall be discharged and forever
 barred.

29 **8.6. No Recourse.** No recourse shall ever be had, directly or indirectly, against
 30 Debtors, the Reorganized Debtors or against any agent, attorney, accountant or other
 31 professional for the Reorganized Debtors, by legal or equitable proceedings or by virtue of any
 32 statute or otherwise, nor upon any promise, contract, instrument, undertaking, obligation,
 33 covenant or agreement whatsoever executed by the Debtors or the Reorganized Debtors under
 34 this Plan, or by reason of the creation of any indebtedness by the Debtors or the Reorganized
 35 Debtors under this Plan for any purpose authorized by this Plan, it being expressly understood
 36 and agreed that all such liabilities, covenants, and agreements of the Debtors and the
 37 Reorganized Debtors, whether in writing or otherwise, shall be enforceable only against and be
 38 satisfied only out of the Assets or such part thereof as shall under the terms of any such
 39 agreement be liable therefore or shall be evidence only of a right of payment out of the Assets.

40 **8.7. Reserves.** Each Debtor, and if applicable, Reorganized Debtor, shall establish
 41 and maintain a Disputed Claim Reserve.

42 **8.8. Statements.** Debtors and, if applicable, the Reorganized Debtors, shall maintain
 43 a record of the names and addresses of all Holders of Allowed General Unsecured Claims as of
 44 the Effective Date and all Holders as of the Record Date of Equity Interests of Debtors for
 45 purposes of mailing Distributions to them. The Debtors and the Reorganized Debtors may rely
 46 on the name and address set forth in Debtors' Schedules and/or proofs of Claim and the ledger
 47 and records regarding Holders of Equity Interests as of the Record Date as being true and correct
 48 unless and until notified in writing. Each Debtor and Reorganized Debtor shall file all tax

1 returns and other filings with governmental authorities on behalf of the Debtor and Reorganized
 2 Debtor and the Assets it holds.

3 **8.9. Further Authorization.** Each Debtor and Reorganized Debtor shall be entitled
 4 to seek such orders, judgments, injunctions and rulings as it deems necessary to carry out the
 5 intentions and purposes, and to give full effect to the provisions of this Plan.

6 **9. CONDITIONS PRECEDENT TO CONFIRMATION AND THE EFFECTIVE
 7 DATE**

8 **9.1. Conditions to Confirmation.** The following are conditions precedent to the
 9 Confirmation of this Plan:

10 a) The Confirmation Order shall be in form and substance reasonably
 11 acceptable to the Debtors and the Requisite Consenting Lenders;

12 b) The Confirmation Order confirming this Plan shall be entered by the
 13 Bankruptcy Court no later than 135 days after the Petition Date; provided, further that
 notwithstanding this clause (b) the Company shall use reasonable best efforts to obtain
 entry of the Confirmation Order no later than 105 days after the Petition Date;

14 c) The Confirmation Order shall (a) approve the Backstop Commitment
 15 Agreement, incorporating the terms thereof in this Plan, and (b) authorize the Debtors to
 16 perform under the Backstop Commitment Agreement and pay the fees and costs as
 17 provided for in the Backstop Commitment Agreement.

18 d) The Bankruptcy Court shall have authorized the assumption and rejection
 19 of Executory Contracts and Unexpired Leases by the Reorganized Debtors as
 20 contemplated by this Plan;

21 e) The Designated Consenting Lenders in their sole and absolute discretion
 22 not having determined and notified the Debtors in writing no later than 2 Business Days
 23 prior to the commencement of the Confirmation Hearing that the aggregate amount of (a)
 24 Administrative Claims, (b) Other Priority Claims or (c) Other Secured Claims are
 25 unacceptable; and

26 f) The Designated Consenting Lenders in their sole and absolute discretion
 27 not having determined that the assumption and rejection of Executory Contracts pursuant
 28 to Sections 7.1 and 7.2 of this Plan is unacceptable and so notifying the Debtors in
writing.

29 **9.2. Conditions to Effectiveness.** The following are conditions precedent to the
 30 occurrence of the Effective Date:

31 a) The Confirmation Order shall be a Final Order reasonably acceptable to
 32 the Debtors and the Requisite Consenting Lenders;

33 b) No request for revocation of the Confirmation Order under Section 1144
 34 of the Bankruptcy Code shall have been made, or, if made, shall remain pending
 35 (including any appeal);

36 c) The Plan Supplement, including any amendments, modifications or
 37 supplements thereto, shall be in form and substance acceptable to Debtors and the
 38 Requisite Consenting Lenders;

1 d) Sufficient Cash and other Assets shall be set aside, reserved and withheld
 2 by each Debtor to make the distributions required by the Bankruptcy Code and this Plan;

3 e) Amendments or modifications to the Plan, if any, shall be reasonably
 4 acceptable to the Debtors and Requisite Consenting Lenders; and

5 f) The Backstop Commitment Agreement shall continue to be in full force
 6 and effect.

7 **9.3. Notice of Effectiveness.** When all of the steps contemplated by Section 9.2 have
 8 been completed, the Debtors shall file with the Bankruptcy Court and serve upon all Creditors
 9 and all potential Holders of Administrative Claims known to the Debtors (whether or not
 10 disputed), a notice of Effective Date of Plan. The notice of Effective Date of Plan shall include
 11 notice of the Administrative Claim Bar Date.

12 **9.4. Conditions to Substantial Consummation.** The following are conditions
 13 precedent to the Substantial Consummation Date:

14 a) The Effective Date shall have occurred;

15 b) All approvals as required for the transactions as set forth in this Plan and
 16 effectuating documents, including, without limitation, all required Gaming Approvals,
 17 have been obtained from the Governmental and Regulatory Authorities;

18 c) None of the Designated Consenting Lenders or Reorganized Debtors are
 19 in material breach of this Plan or any other effectuating documents in effect from the
 20 Effective Date through the Substantial Consummation Date;

21 d) The voting securities of Reorganized RHC shall be registered under the
 22 Exchange Act of 1934, as amended;

23 e) The entire Working Capital Facility is available to Reorganized RHC;

24 f) Amendment or modifications to the Plan, if any, shall be reasonably
 25 acceptable to the Debtors and Requisite Consenting Lenders; and

26 g) The Designated Consenting Lenders in their sole and absolute discretion
 27 not having determined and notified the Debtors in writing no later than 5 Business Days
 28 prior to the Substantial Consummation Date that the aggregate amount of (a)
 29 Administrative Claims, (b) Other Priority Claims, or (c) Other Secured Claims are
 30 unacceptable.

31 **9.5. Waiver of Conditions.** The conditions set forth in this Article 9 may be waived
 32 (except for Section 9.4(a)) only by the Person whom is entitled to satisfaction of such condition
 33 (it being understood that the conditions contained in Sections 9.1(a), 9.2 (a), (c) and (e) and
 34 9.4(f) may be waived only by the Requisite Consenting Lenders), without notice, leave or order
 35 of the Bankruptcy Court or any formal action other than a proceeding to confirm or consummate
 36 the Plan.

25 **10. TITLE TO PROPERTY; DISCHARGE; INJUNCTION**

26 **10.1. Vesting of Assets.** Subject to and as provided for in this Plan, the Assets shall be
 27 vested and/or transferred to and by the Reorganized Debtors on the Substantial Consummation
 28 Date, free and clear of all Liens, Claims, charges or other encumbrance, except for Lien securing
 29 the obligations under the Credit Facilities. On and after the Substantial Consummation Date, the

1 Reorganized Debtors may operate their businesses and may use, acquire, and dispose of property
 2 and compromise or settle any Claims without supervision of or approval by the Bankruptcy
 3 Court and free of any restrictions of the Bankruptcy Code or the Bankruptcy Rules, other than
 4 restrictions expressly imposed by this Plan or the Confirmation Order.

5 **10.2. Preservation of Litigation Claims.** In accordance with Section 1123(b)(3) of the
 6 Bankruptcy Code, and except as otherwise expressly provided herein, on the Substantial
 7 Consummation Date all Litigation Claims shall be assigned and transferred to the Reorganized
 8 Debtors. The Reorganized Debtors, as the successors in interest to the Debtors and the Estates,
 9 may, and shall have the exclusive right to, enforce, sue on, settle, compromise, transfer or assign
 10 (or decline to do any of the foregoing) any or all of the Litigation Claims, including, without
 11 limitation, any and all derivative actions pending or otherwise existing against the Debtors as of
 12 the Substantial Consummation Date.

13 **10.3. Settlement of Litigation Claims.** At any time after the Confirmation Date and
 14 before the Substantial Consummation Date, notwithstanding anything in this Plan to the contrary,
 15 the Debtors may settle any or all of the Litigation Claims with the approval of the Bankruptcy
 16 Court pursuant to Bankruptcy Rule 9019 and the consent of the Requisite Consenting Lenders
 17 (such consent not to be unreasonably withheld). After the Substantial Consummation Date, the
 18 Reorganized Debtors may, and shall have the exclusive right to, compromise and settle any
 19 Claims against them and claims they may have against any other Person or entity, including,
 20 without limitation, the Litigation Claims, without notice to or approval from the Bankruptcy
 21 Court, including, without limitation, any and all derivative actions pending or otherwise existing
 22 against the Debtors as of the Effective Date.

23 **10.4. Discharge. On the Effective Date, Debtors shall be discharged and released
 24 from any and all Claims in Classes 1, 2 and 6 to the fullest extent provided in Sections 524
 25 and 1141 of the Bankruptcy Code. On the Substantial Consummation Date, the Debtors
 26 shall be discharged and released from any and all of the Claims and Equity Interests,
 27 including those in Classes 3, 4, 5, 7 and 8 to the fullest extent provided in Sections 524 and
 28 1141 of the Bankruptcy Code. The Discharge shall be to the fullest extent provided under
 29 Section 1141(d)(1)(A) and (B) and other applicable provisions of the Bankruptcy Code.
 30 Except as otherwise expressly provided by this Plan or the Confirmation Order, all
 31 consideration distributed under this Plan shall be in exchange for, and in complete
 32 satisfaction, settlement, discharge, and release of, all Claims and Equity Interests of any
 33 kind or nature whatsoever against the Debtors or any of their assets or properties, and
 34 regardless of whether any property shall have been distributed or retained pursuant to this
 35 Plan on account of such Claims.**

36 **10.5. Releases by the Debtors.** Pursuant to section 1123(b) of the Bankruptcy
 37 Code, for good and valuable consideration, including the service of the Released Parties to
 38 facilitate the expeditious reorganization of the Debtors and the implementation of the
 39 restructuring contemplated by the Plan, on and after the Substantial Consummation Date,
 40 the Released Parties are deemed released and discharged by the Debtors, the Reorganized
 41 Debtors, and their respective Estates from any and all Claims, obligations, rights, suits,
 42 damages, Causes of Action, remedies and liabilities whatsoever, including any derivative
 43 Claims asserted on behalf of the Debtors, whether known or unknown, foreseen or
 44 unforeseen, existing or hereinafter arising, in law, equity or otherwise, that the Debtors, the
 45 Reorganized Debtors, or and their respective Estates would have been legally entitled to
 46 assert in their own right (whether individually or collectively) or on behalf of the Holder of
 47 any Claim or Equity Interest or other Entity, based on or relating to, or in any manner
 48 arising from, in whole or in part, the Debtors, the Debtors' restructuring, the Debtors'
 49 Chapter 11 Cases, the purchase, sale or rescission of the purchase or sale of any security of
 50 the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events
 51 giving rise to, any Claim or Equity Interest that is treated in the Plan, the business or

1 contractual arrangements between any Debtor and any Released Party, the restructuring
 2 of Claims and Equity Interests before or during the Chapter 11 Cases, the negotiation,
 3 formulation or preparation of the Plan, the Plan Supplement, the Disclosure Statement or
 4 related agreements, instruments or other documents, or any other act or omission,
 transaction, agreement, event or other occurrence relating to the Debtors taking place on
 or before the Confirmation Date of the Plan, other than Claims or liabilities arising out of
 or relating to any act or omission of a Released Party that constitutes willful misconduct or
 gross negligence.

5 **10.6. Releases by Holders.** As of the Effective Date for Classes 1, 2, and 6, and as
 6 of the Substantial Consummation Date for Classes 3, 4, 5, 7, 8 and 9, each Holder of a
 7 Claim or an Equity Interest shall be deemed to have conclusively, absolutely,
 unconditionally, irrevocably and forever, released and discharged the Debtors, the
 Reorganized Debtors and the Released Parties (to the extent allowed by applicable law)
 8 from any and all Claims, Interests, obligations, rights, suits, damages, Causes of Action,
 remedies and liabilities whatsoever, including any derivative Claims asserted on behalf of a
 9 Debtor, whether known or unknown, foreseen or unforeseen, existing or hereafter arising,
 in law, equity or otherwise, that such entity would have been legally entitled to assert
 10 (whether individually or collectively), based on or relating to, or in any manner arising
 from, in whole or in part, the Debtors, the Debtors' restructuring, the Debtors' Chapter 11
 11 Cases, the purchase, sale or rescission of the purchase or sale of any security of the Debtors
 or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise
 12 to, any Claim or Equity Interest that is treated in the Plan, the business or contractual
 arrangements between any Debtor and any Released Party, the restructuring of Claims
 13 and Equity Interests before or during the Chapter 11 Cases, the negotiation, formulation
 or preparation of the Plan, the Plan Supplement, the Disclosure Statement or related
 14 agreements, instruments or other documents, or any other act or omission, transaction,
 agreement, event or other occurrence relating to the Debtors taking place on or before the
 15 Confirmation Date of the Plan, other than Claims or liabilities arising out of or relating to
 16 any act or omission of a Released Party that constitutes willful misconduct or gross
 negligence. Notwithstanding anything contained herein or otherwise, no Backstop Lender
 17 shall be deemed to have released any Defaulting Backstop Lender (as defined in the
 Backstop Commitment Agreement) from any such Claim, Interest, obligation, right, suit,
 18 damage, Cause of Action, remedy and liability whatsoever, whether known or unknown,
 foreseen or unforeseen, existing or hereafter arising, in law, equity or otherwise.

19 **10.7. Injunction.** From and after the Effective Date for Classes 1, 2, and 6, and as
 20 of the Substantial Consummation Date for Classes 3, 4, 5, 7, 8 and 9, all entities are
 permanently enjoined from commencing or continuing in any manner, any cause of action
 released or to be released pursuant to the Plan or the Confirmation Order.

21 Except as otherwise expressly provided in this Plan, the Plan Supplement or related
 22 documents, or in obligations issued pursuant to this Plan, all entities who have held, hold or
 may hold Claims or Equity Interests that have been released pursuant to Section 10.5 or
 23 Section 10.6, discharged pursuant to Section 10.4, or are subject to exculpation pursuant to
 Section 10.8 are permanently enjoined, from and after the Effective Date, from taking any
 24 of the following actions: (1) commencing or continuing in any manner any action or other
 proceeding of any kind on account of or in connection with or with respect to any such
 Claims or Equity Interests; (2) enforcing, attaching, collecting or recovering by any
 25 manner or means any judgment, award, decree or order against such entities on account of
 or in connection with or with respect to any such Claims or Equity Interests; (3) creating,
 perfecting or enforcing any encumbrance of any kind against such entities or the property
 26 or estate of such entities on account of or in connection with or with respect to any such
 Claims or Equity Interests; and (4) commencing or continuing in any manner any action or
 other proceeding of any kind on account of or in connection with or with respect to any

such Claims or Equity Interests released or settled pursuant to this Plan.

The rights afforded in this Plan and the treatment of all Claims and Interests herein shall be in exchange for and in complete satisfaction of Claims and Equity Interests of any nature whatsoever, including any interest accrued on Claims from and after the Petition Date, against the Debtors or any of their Assets, property or Estates.

Except as otherwise expressly provided for herein or in obligations issued pursuant hereto from and after the Effective Date for Classes 1, 2, and 6, and as of the Substantial Consummation Date for Classes 3, 4, 5, 7, 8 and 9, all Claims shall be fully released and discharged, and the Equity Interests shall be cancelled, and the Debtors' liability with respect thereto shall be extinguished completely, including any liability of the kind specified under section 502(g) of the Bankruptcy Code.

All entities shall be precluded from asserting against the Debtors, the Debtors' Estates, the Reorganized Debtors, each of their respective successors and assigns and each of their assets and properties, any other Claims or interests based upon any documents, instruments or any act or omission, transaction or other activity of any kind or nature that occurred before the Effective Date.

10.8. Exculpation. From and after the Substantial Consummation Date, no Exculpated Party shall have or incur, and each Exculpated Party is hereby released and exculpated from, any Exculpated Claim or obligation, Cause of Action or liability for any Exculpated Claim, except for gross negligence or willful misconduct, but in all respects the Exculpated Parties shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities under this Plan or in the context of the Chapter 11 Cases. No Holder of a Claim or Equity Interest, or any other party-in-interest, including their respective agents, employees, representatives, financial advisors, attorneys or Affiliates, shall have any right of action against any Exculpated Party relating to, or arising out of the Exculpated Claims, except for their willful misconduct and gross negligence. Notwithstanding anything contained herein or otherwise, no Backstop Lender shall be deemed to have released or exculpated any Defaulting Backstop Lender from any such Exculpated Claim or obligation, Cause of Action or liability for any Exculpated Claim.

10.9. Director and Officer Liability Insurance. As of the Substantial Consummation Date Reorganized RHC will obtain sufficient tail coverage under a directors and officers' liability insurance policy (the "D&O Liability Insurance Policy", and, together with all insurance policies for directors and officers' liability maintained by the Debtors as of the Petition Date, the "D&O Liability Insurance Policies") for the current and former directors and officers for a period of six (6) years. As of the Substantial Consummation Date, the Reorganized Debtors shall assume all of the D&O Liability Insurance Policies pursuant to Section 365(a) of the Bankruptcy Code, and RHC will assume and, if applicable, assign to Reorganized Debtors all of the D&O Liability Insurance Policies pursuant to Section 365(a) of the Bankruptcy Code. Entry of the Confirmation Order will constitute approval by the Bankruptcy Court of Debtors' foregoing assumption and assumption and assignment by Reorganized Debtors of each of the D&O Liability Insurance Policies. Notwithstanding anything to the contrary contained in this Plan, Confirmation of the Plan shall not discharge, impair or otherwise modify any indemnity obligations assumed by the foregoing assumption of the D&O Liability Insurance Policies, and each such indemnity obligation will be deemed and treated as an Executory Contract that has been assumed by Debtors and Reorganized Debtors under this Plan as to which no proof of Claim need be filed.

10.10. Indemnification. All indemnification provisions currently in place (whether in the by-laws, articles or certificates of incorporation, articles of limited partnership, limited liability company agreements, board resolutions (or resolutions of similar bodies) or employment

1 contracts) for the current directors, officers, employees, attorneys, other professionals and agents
 2 of the Debtors, and such current directors and officers of the Debtors' respective Affiliates, in
 3 each case, who will continue in such capacities or similar capacities after the Effective Date,
 4 shall be assumed and shall survive effectiveness of this Plan. Nothing in the Plan shall limit,
 5 diminish or otherwise alter the Reorganized Debtors' defenses, claims, Causes of Action or other
 6 rights with respect to any such indemnification provisions.
 7

11. RETENTION OF JURISDICTION

1 **11.1. Jurisdiction.** Notwithstanding the entry of the Confirmation Order and the
 2 occurrence of the Effective Date, the Bankruptcy Court shall retain such jurisdiction over the
 3 Chapter 11 Cases and the Reorganized Debtors after the Effective Date as is legally permissible,
 4 including jurisdiction to:

- 5 a) Allow, disallow, determine, liquidate, classify, estimate or establish the
 6 priority or secured or unsecured status of any Claim or Equity Interest or Disputed Claim
 7 or Disputed Equity Interests, including the resolution of any request for payment of any
 8 Administrative Claim and the resolution of any and all objections to the allowance or
 9 priority of Claims or Disputed Claims and Equity Interests or Disputed Equity Interests;
- 10 b) Grant or deny any applications for allowance of compensation or
 11 reimbursement of expenses authorized pursuant to the Bankruptcy Code or this Plan for
 12 periods ending on or before the Effective Date;
- 13 c) Resolve any matters related to the assumption, assignment or rejection of
 14 any Executory Contract or Unexpired Lease to which Debtors or the Reorganized
 15 Debtors are party and to hear, determine and, if necessary, liquidate any Claims arising
 16 therefrom or Cure amounts related thereto;
- 17 d) Ensure that distributions to Holders of Allowed Claims and Equity
 18 Interests are accomplished pursuant to the provisions of this Plan;
- 19 e) Decide or resolve any motions, adversary proceedings, contested or
 20 litigated matters and any other matters and grant or deny any applications or motions
 21 involving Debtors or the Reorganized Debtors that may be pending on the Effective Date
 22 or commenced thereafter as provided for by this Plan;
- 23 f) Enter such orders as may be necessary or appropriate to implement or
 24 consummate the provisions of this Plan and all contracts, instruments, releases and other
 25 agreements or documents created in connection with this Plan or the Disclosure
 26 Statement or the Confirmation Order, except as otherwise provided herein;
- 27 g) Decide or resolve any cases, controversies, suits or disputes that may arise
 28 in connection with the consummation, interpretation or enforcement of any Final Order,
 29 this Plan, the Confirmation Order or obligations of any Persons incurred in connection
 30 with such Final Order, this Plan or the Confirmation Order;
- 31 h) Modify this Plan before or after the Effective Date pursuant to Section
 32 1127 of the Bankruptcy Code and Section 12.1 of this Plan or modify any contract,
 33 instrument, release or other agreement or document created in connection with this Plan,
 34 the Disclosure Statement, the Confirmation Order, or the Reorganized Debtors; or
 35 remedy any defect or omission or reconcile any inconsistency in any Final Order, this
 36 Plan, the Confirmation Order, or any contract, instrument, release or other agreement or
 37 document created in connection with this Plan, the Disclosure Statement or the
 38 Confirmation Order, in such manner as may be necessary or appropriate to consummate

1 this Plan, to the extent authorized by the Bankruptcy Code;

2 i) Issue injunctions, enter and implement other orders or take such other
3 actions as may be necessary or appropriate to restrain interference by any Person with
4 consummation, implementation or enforcement of any Final Order, this Plan or the
5 Confirmation Order, except as otherwise provided herein;

6 j) Enter and implement such orders as are necessary or appropriate if a Final
7 Order or the Confirmation Order is for any reason modified, stayed, reversed, revoked or
8 vacated;

9 k) Determine any other matters that may arise in connection with or relate to
10 this Plan, any Final Order, the Disclosure Statement, the Confirmation Order or any
11 contract, instrument, release or other agreement or document created in connection with
12 this Plan, the Disclosure Statement, any Final Order or Confirmation Order, except as
13 otherwise provided herein;

14 l) Enter an order closing the Chapter 11 Cases;

15 m) Hear and decide Litigation Claims and continue to hear and decide
16 pending Litigation Claims and any other claim or cause of action of Debtors and the
17 Reorganized Debtors; and

18 n) Decide or resolve any matter over which the Bankruptcy Court has
19 jurisdiction pursuant to Section 505 of the Bankruptcy Code.

12. MODIFICATION AND AMENDMENT OF PLAN

13 **12.1. Modification and Amendment.** Prior to Confirmation, Debtors may alter,
14 amend or modify this Plan under Section 1127(a) of the Bankruptcy Code at any time, provided
15 such amendment or modification has been approved by the Requisite Consenting Lenders. After
16 the Confirmation Date and prior to the Substantial Consummation Date, the Debtors may, under
17 Section 1127(b), (c) and (d) of the Bankruptcy Code, alter, amend or modify this Plan or institute
18 proceedings in the Bankruptcy Court to remedy any defect or omission or reconcile any
19 inconsistencies in this Plan or the Confirmation Order, and to make appropriate adjustments and
20 modifications to this Plan or the Confirmation Order as may be necessary to carry out the
21 purposes and effects of this Plan so long as such proceedings do not materially adversely affect
22 the treatment of Holders of Claims under this Plan and the Requisite Consenting Lenders
23 approve any such alteration, amendment or modification.

13. MISCELLANEOUS

24 **13.1. Filing of Objections to Claims or Equity Interests.** After the Effective Date,
25 objections to Claims or Equity Interests (other than Allowed Claims and Equity Interests) shall
26 be made and objections to Claims and Equity Interests (other than Allowed Claims or Equity
27 Interests) made previous thereto shall be pursued, upon consultation with the Committee, by the
28 Debtors or any other party properly entitled to do so after notice to the Debtors and approval by
29 the Bankruptcy Court. After the Substantial Consummation Date, objections to Claims or Equity
30 Interests (other than Allowed Claims or Equity Interests) shall be made and objections to Claims
31 and Equity Interests (other than Allowed Claims or Equity Interests) made previous thereto shall
32 be pursued, upon consultation with the Committee, by the Reorganized Debtors or any other
33 party properly entitled to do so after notice to the Reorganized Debtors and approval by the
34 Bankruptcy Court. Any objections made after the Effective Date to Claims (other than Allowed
35 Claims) arising prior to the Petition Date shall be filed and served not later than one hundred and
36 twenty (120) days after the Effective Date, and any objections to Claims (other than allowed

Claims) arising after the Effective Date and up to and including the Substantial Consummation Date and to Equity Interests (other than Allowed Equity Interests) shall be filed and served not later than one hundred and twenty (120) days after the Substantial Consummation Date; provided, however, that such period may be extended by order of the Bankruptcy Court for good cause shown.

13.2. Resolution of Objections After Effective Date; Distributions.

a) Resolution of Objections. From and after the Effective Date, the Debtors, or Reorganized Debtors, as applicable, may litigate to judgment, propose settlements of, or withdraw objections to, all pending or filed Disputed Claims and Disputed Equity Interests and may settle or compromise any Disputed Claim or Disputed Equity Interest without notice and a hearing and without approval of the Bankruptcy Court, provided that with respect to Class 3 Claims, the Debtors shall consult with the Committee.

b) Distributions. In order to facilitate Distributions to Holders of Allowed Claims, and only to the extent there are Disputed Claims in any Class, the Debtors or Reorganized Debtors as applicable, shall set aside such amounts of Assets as the Debtors or Reorganized Debtors determine in consultation with and upon the approval of the Requisite Consenting Lenders, in the Disputed Claim Reserve for potential payments or Distributions to Holders of such Disputed Claims, less such Claims or portion thereof otherwise payable by insurance policies then in effect provided that any set aside involving the Class 3 Claims Reserve shall be effected in consultation with the Committee. If any Debtor or Reorganized Debtor or Committee wishes to deposit or hold a lesser amount and is unable to reach agreement with the Holder of the Disputed Claim or Disputed Equity Interest in the amount to be deposited or held, the Bankruptcy Court will fix the amount after notice and hearing. Upon Final Order with respect to a Disputed Claim, the Holder of such Disputed Claim, to the extent it has been determined to hold an Allowed Claim, shall receive from the respective Debtor or Reorganized Debtor, in each case first out of the Disputed Claims Reserve applicable to such Claim, that payment or Distribution to which it would have been entitled if the portion of the Claim so Allowed had been Allowed as of the Effective Date or Substantial Consummation Date, as applicable. Such payment or distribution shall be made as soon as practical after the order allowing the Claim has become a Final Order.

c) Late-Filed Claims. No Claim filed after the Bar Date or, as applicable, the Administrative Claim Bar Date shall be allowed, and all such Claims are hereby disallowed in full. After the Bar Date or the Administrative Claim Bar Date, as applicable, no Creditor shall be permitted to amend any claim to increase the claimed amount; and any such amendment shall be disallowed to the extent of the late-filed increase in the claimed amount.

13.3. Effectuating Documents; Further Transactions; Timing. Each of the officers of Debtors or Reorganized Debtors are authorized to execute, deliver, file or record such contracts, instruments, releases and other agreements or documents and to take such actions as may be necessary or appropriate to effectuate and further evidence the terms and conditions of this Plan and any Equity Interests issued, transferred or canceled pursuant to this Plan. All transactions that are required to occur on the Effective Date under the terms of this Plan shall be deemed to have occurred simultaneously. Debtors and Reorganized Debtors are authorized and directed to do such acts and execute such documents as are necessary to implement this Plan.

13.4. Exemption from Transfer Taxes. Pursuant to Section 1146(a) of the Bankruptcy Code, (i) the issuance, distribution, transfer or exchange of Estate property; (ii) the creation, modification, consolidation or recording of any deed of trust or other interest, the securing of additional indebtedness by such means or by other means in furtherance of, or

connection with this Plan or the Confirmation Order; (iii) the making, assignment, modification or recording of any lease or sublease; or (iv) the making, delivery or recording of a deed or other instrument of transfer under, in furtherance of, or in connection with, this Plan, the Confirmation Order or any transaction contemplated above, or any transactions arising out of, contemplated by or in any way related to the foregoing shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, stamp act or real estate transfer tax, mortgage recording tax or other similar tax or governmental assessment and the appropriate state or local government officials or agents shall be, and hereby are, directed to forego the collection of any such tax or assessment and to accept for filing or recordation any of the foregoing instruments or other documents without the payment of any such tax or assessment.

13.5. Revocation or Withdrawal of this Plan. Debtors reserve the right to revoke or withdraw this Plan at any time prior to the Confirmation Date. If this Plan is withdrawn or revoked or if the Bankruptcy Court denies confirmation of this Plan, then this Plan shall be deemed null and void and nothing contained herein shall be deemed to constitute a waiver or release of any Claims by or against Debtors or any other Person nor shall the withdrawal or revocation of this Plan prejudice in any manner the rights of Debtor or any Person in any further proceedings involving Debtors. In the event this Plan is withdrawn or revoked, nothing set forth herein shall be deemed an admission of any sort and this Plan and any transaction contemplated thereby shall be inadmissible into evidence in any proceeding.

In the event that the Substantial Consummation Date does not occur within the time provided hereunder, upon notification submitted by the Debtors to the Court: (i) the Confirmation Order shall be vacated; (ii) no additional distributions under this Plan shall be made except that distribution pursuant to Sections 2.2, 4.1 and 4.2 shall continue unaffected; (iii) the Debtors and all Holders of Claims (except for Holders of Administrative Claims, Other Priority Claims, and Other Secured Claims) shall be restored to the status quo ante as of the day immediately preceding the Confirmation Date as though the Confirmation Date had never occurred, and (iv) the Debtors' obligations with respect to the Claims shall remain unchanged (except to the extent of any post-Effective Date payments and continuing payments pursuant to Sections 2.2, 4.1 and 4.2) and nothing contained in this Plan shall constitute or be deemed a waiver or release of any Claims by or against the Debtors or any other Person or to prejudice in any manner the rights of the Debtors or any Person in any further proceedings involving the Debtors.

13.6. Binding Effect. This Plan shall be binding upon, and shall inure to the benefit of, the Debtors and their Estates, the Reorganized Debtors and the Holders of all Claims and Equity Interests and their respective successors and assigns.

13.7. Governing Law. Except to the extent that the Bankruptcy Code or other federal law is applicable or as provided in any contract, instrument, release or other agreement entered into in connection with this Plan or in any document which remains unaltered by this Plan, the rights, duties and obligations of Debtors and any other Person arising under this Plan shall be governed by, and construed and enforced in accordance with, the internal laws of the State of Nevada without giving effect to Nevada choice of law provisions.

13.8. Modification of Payment Terms. The Debtors and Reorganized Debtors, as applicable, reserve the right to modify the treatment of any Allowed Claim or Allowed Equity Interest in any manner adverse only to the Holder of such Allowed Claim or Allowed Equity Interest at any time after the Effective Date upon the prior written consent of the Holder whose Allowed Claim or Allowed Equity Interest treatment is being adversely affected.

13.9. Allocation of Plan Distributions Between Principal and Interest. To the extent that any Allowed Claim entitled to a distribution under this Plan is comprised of indebtedness and accrued but unpaid interest thereon, such distribution shall, to the extent

1 permitted by applicable law, be allocated for income tax purposes to the principal amount of the
 2 Claim first and then, to the extent that the consideration exceeds the principal amount of the
 3 Claim, to the portion of such Claim representing accrued but unpaid interest.

4 **13.10. Means of Cash Payment.** Payments of Cash made pursuant to this Plan shall be
 5 in U.S. dollars and shall be made, at the option and in the sole discretion of the Debtors or
 6 Reorganized Debtors, as the case may be, by (a) checks drawn on, or (b) wire transfer from, in
 7 each case, a domestic bank selected by the Debtors or Reorganized Debtors as applicable. Cash
 8 payments to foreign Creditors may be made, at the option of such Debtors or Reorganized
 9 Debtors, in such funds and by such means as are necessary or customary in a particular foreign
 10 jurisdiction.

11 **13.11. Providing for Claims Payments.** Distributions to Holders of Allowed Claims
 12 shall be made by the Debtors or Reorganized Debtors, as applicable: (i) at the addresses set forth
 13 on the proofs of Claim filed by such Holders; (ii) at the addresses set forth in any written notices
 14 of address changes delivered to the Disbursing Agent after the date of any related proof of
 15 Claim; or (iii) at the addresses reflected in the Schedules if no proof of Claim has been filed and
 16 the Disbursing Agent has not received a written notice of a change of address. Distributions to
 17 Holders of Allowed Equity Interests shall be made to the Holder of such Allowed Equity Interest
 18 as of the Record Date. If any Holder's distribution is returned as undeliverable, no further
 19 distributions to such Holder shall be made unless and until the Disbursing Agent is notified of
 20 such Holder's then current address, at which time all missed distributions shall be made to such
 21 Holder without interest. Amounts in respect of undeliverable Distributions made through the
 22 Disbursing Agent shall be returned to the Debtors or Reorganized Debtors, as applicable, until
 23 such Distributions are claimed. All claims for undeliverable Distributions shall be made on or
 24 before the second anniversary of the Effective Date. After such date, all unclaimed property
 25 shall revert to the Debtors or Reorganized Debtors, as applicable, and the Claim of any Holder or
 26 successor to such Holder with respect to such property shall be discharged and forever barred
 27 notwithstanding any federal or state escheat laws to the contrary. Nothing contained in this Plan
 28 shall require Debtors, the Reorganized Debtors, or the Disbursing Agent to attempt to locate any
 29 Holder of an Allowed Claim or Allowed Equity Interest.

30 **13.12. Set Offs.** Debtors and Reorganized Debtors may, but shall not be required to, set
 31 off or recoup against any Claim or Equity Interest and the payments or other distributions to be
 32 made pursuant to this Plan in respect of such Claim or Equity Interest (before any distribution is
 33 made on account of such Claim or Equity Interest), claims of any nature whatsoever that the
 34 applicable Debtors or Reorganized Debtors may have against the Holder of such Claim or Equity
 35 Interest to the extent such Claims or Equity Interests may be set off or recouped under applicable
 36 law, but neither the failure to do so nor the allowance of any Claim or Equity Interest hereunder
 37 shall constitute a waiver or release by Debtors or Reorganized Debtors of any such Claim that it
 38 may have against such Holder.

39 **13.13. Notices.** Any notice required or permitted to be provided under this Plan shall be
 40 in writing and served by either: (a) certified mail, return receipt requested, postage prepaid; (b)
 41 hand delivery or (c) reputable overnight courier service, freight prepaid, to be addressed as
 42 follows:

43 If to the Debtors:

Riviera Holdings Corporation
 Attn: Tullio J. Marchionne, Esq.
 2901 Las Vegas Blvd., South
 Las Vegas, NV 89109
 Tel: (702) 794-9504
 Fax: (702) 794-9560

1 With a Copy to:

Gordon Silver
 Attn: Thomas H. Fell, Esq.
 3960 Howard Hughes Pkwy, 9th Floor
 Las Vegas, NV 89169
 Tel: (702) 796-5555
 Fax: (702) 369-2666

5 **13.14. Statutory Committee.** Any Statutory Committee appointed in the Chapter 11
 Cases shall terminate on the later of the Substantial Consummation Date and the conclusion of
 6 the claims objection process, and shall thereafter have no further responsibilities in respect of the
 Chapter 11 Cases, except with respect to preparation of the filing of applications for
 7 compensation and reimbursement of expenses.

8 **13.15. Severability.** If any provision of this Plan is determined by the Bankruptcy Court
 to be invalid, illegal or unenforceable or this Plan is determined to be not confirmable pursuant
 9 to Section 1129 of the Bankruptcy Code, the Bankruptcy Court, at the request of Debtors shall
 have the power to alter and interpret such term to make it valid or enforceable to the maximum
 10 extent practicable, consistent with the original purpose of the term or provision held to be
 invalid, void or unenforceable, and such term or provision shall then be applicable as altered or
 11 interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the
 terms and provisions of this Plan shall remain in full force and effect and will in no way be
 12 affected, impaired or invalidated by such holding, alteration or interpretation. The Confirmation
 Order shall constitute a judicial determination and shall provide that each term and provision of
 13 this Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid
 and enforceable pursuant to its terms.

14 **13.16. Withholding and Reporting Requirements.** In connection with this Plan and all
 instruments and Equity Interests distributed hereunder, the Reorganized Debtors shall comply
 15 with all withholding and reporting requirements imposed by any federal, state, local, or foreign
 taxing authority and all Distributions hereunder shall be subject to any such withholding and
 16 reporting requirements. The Reorganized Debtors shall be authorized to take any and all action
 that may be necessary to comply with such withholding and reporting requirements.
 Notwithstanding any other provision of this Plan, each Holder of an Allowed Claim or Allowed
 17 Equity Interest that has received a Distribution pursuant to this Plan shall have sole and exclusive
 responsibility for the satisfaction or payment of any tax obligation imposed by any governmental
 18 unit, including income, withholding and other tax obligation on account of such distribution.

19 **13.17. Post Confirmation Reporting.** Until the entry of the final decree closing the
 Chapter 11 Cases, the Reorganized Debtors shall comply with the post-confirmation reporting
 20 requirements found in Local Rule 3020 of the Bankruptcy Court. Additionally, to the extent
 required, the Reorganized Debtors shall file post-confirmation quarterly operating reports as
 21 required by the United States Trustee Guidelines, para. 7.2.

22 **13.18. No Strict Construction.** This Plan is the product of extensive discussions and
 negotiations between and among, inter alia, the Debtors and the Designated Consenting Lenders.
 23 Each of the foregoing was represented by counsel of its choice who either (i) participated in the
 formulation and documentation of, or (ii) was afforded the opportunity to review and provide
 24 comments on, this Plan, the Disclosure Statement, exhibits and schedules, and the agreements
 and documents ancillary or related thereto. Accordingly, unless explicitly indicated otherwise,
 25 the general rule of contract construction known as "contra proferentem" shall not apply to the
 construction or interpretation of any provision of this Plan, the exhibits and schedules, and the
 26 documents ancillary and related thereto.

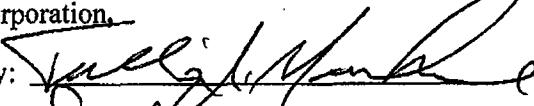
27 **13.19. Cramdown.** In the event that any Impaired Class is determined to have rejected
 this Plan in accordance with Section 1126 of the Bankruptcy Code, Debtors may invoke the

provisions of Section 1129(b) of the Bankruptcy Code to satisfy the requirements for Confirmation of this Plan. Debtors reserve the right to modify this Plan to the extent, if any, that Confirmation pursuant to Section 1129(b) of the Bankruptcy Code requires modification.

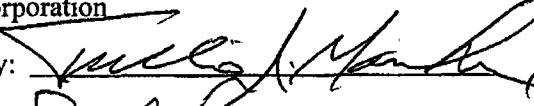
13.20. Quarterly Fees to the United States Trustee. Prior to the Substantial Consummation Date, the Debtors, and after the Substantial Consummation Date, the Reorganized Debtors shall pay all quarterly fees payable to the Office of the United States Trustee consistent with applicable provisions of the Bankruptcy Code and Bankruptcy Rules.

DATED this 16th day of September, 2010.

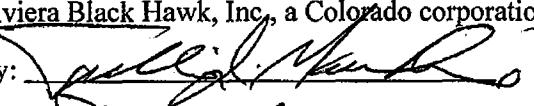
Riviera Holdings Corporation, a Nevada corporation.

By: 
Its: SECRETARY

Riviera Operating Corporation, a Nevada corporation

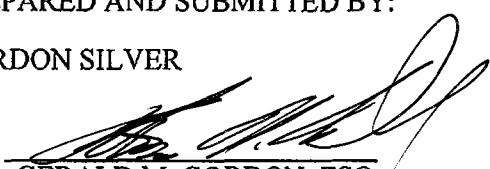
By: 
Its: SECRETARY

Riviera Black Hawk, Inc., a Colorado corporation

By: 
Its: SECRETARY

PREPARED AND SUBMITTED BY:

GORDON SILVER

By: 
GERALD M. GORDON, ESQ.
THOMAS H. FELL, ESQ.
3960 Howard Hughes Pkwy., 9th Floor
Las Vegas, Nevada 89169
Attorneys for Joint Debtors

1 **SCHEDULE 1.1.70**2 **TO PLAN OF REORGANIZATION**3 **CERTAIN PRESERVED POTENTIAL CAUSES OF ACTION**

4 All defined terms used herein shall have the meanings set forth in this Plan. The
 5 following is a non-exhaustive list of potential parties against whom the Debtors, and/or the
 6 Reorganized Debtors may hold Litigation Claims. The Debtors and Reorganized Debtors
 7 reserve their right to modify this list to amend or add parties or causes of action, but disclaim any
 8 obligation to do so. In addition to the Litigation Claims listed below, the Debtors and the
 9 Reorganized Debtors have or may have, in the ordinary course of their business, numerous
 10 causes of action and claims or rights against contractors, subcontractors, suppliers and others
 11 with whom they deal in the ordinary course of their business (the "Ordinary Course Claims").
 12 The Debtors and Reorganized Debtors reserve their right to enforce, sue on, settle or compromise
 13 (or decline to do any of the foregoing) the Ordinary Course Claims, as well as the claims and
 14 causes of action listed below and all other claims and causes of action, in each case, except as
 15 otherwise provided in Article X of this Plan. The Debtors and Reorganized Debtors also have, or
 16 may have, and are retaining, various claims or causes of action arising under or pursuant to its
 17 insurance policies, and all rights arising under, relating to, or in connection with such policies are
 18 expressly reserved and retained.

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2 **SCHEDULE 7.1**
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5 **TO**
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8 **PLAN OF REORGANIZATION**
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11 **REJECTED EXECUTORY CONTRACTS AND UNEXPIRED LEASES**
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